

SME STRATEGIC ALLIANCE RELATIONSHIP MANAGEMENT

- Motivation and performance of strategic alliance: the study from SMEs in Thailand -

MBA

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This research is a study about strategic alliance relationship management in small and medium enterprises (SMEs) in the area of motivation of strategic alliance partners and performance of the alliance. This research is one of earliest study about the relationship between motivation of an alliance partner and performance of a strategic alliance that combine human resource motivation theory and strategic alliance management theory. The research questions were set in this research as 1) *does strategic alliance partner's motivation affects the performance of strategic alliance*, 2) *To what extent each motivation factor affects the performance of the strategic alliance*, and 3) *how strategic alliance partner motivation affects the performance of strategic alliance*.

When making a decision, SME is more like a person than a corporation. Decision-making in SMEs may not always rational for the company. They are often "personality driven" in a way that larger organization are not [2]. Moreover, in inter-organization relationship, we should be able to observe a human aspect in the matter since the owner or owner/manager is more likely to be the one who take care of it [1]. Thus this research will apply human resource management and psychological theory to study strategic alliance relationship management in SMEs.

A strategic alliance is defined as a long-term relationship between two or more organizations formed in order to achieving some strategic objectives, which are not possible or not efficient to achieve alone. There are four main reasons why a firm engaging in strategic alliance relationship. Those reasons are 1) to gain access or secure some rare resources [3], 2) to reduce overall cost [6], 3) to gain competitive position [4], and 4) to learn new knowledge [7].

There are a number of definitions of SMEs using by different organizations around the world. SMEs seem to have different definitions in different countries [5]. Since this research is conducted in Thailand context, SME is defined in this research using the definition from ministry of industry of Thailand and the SME bank of Thailand. The definition use type of business (manufacturing, service, trading), non-land assets size, and number of employee as indicators of SMEs.

Two motivation theories have been tested in this research namely personality theory and need theory. In personality theories, prosocial personality and proactive personality have been tested. Correlation was employed to test the relationship between the two personalities and the performance (achieve alliance objective and satisfaction of relationship with the alliance partner) of the alliance. Relationships of the two factors and performance have been found to have positive significant relationship.

Prosocial personality is more strongly related to satisfaction of the alliance than proactive personality does. While proactive personality is more strongly related to achievement of the strategic alliance objective than prosocial personality does. Thus prosocial behaviors are such as helping others or being kind is important for relationship management. While proactive behaviors are such as actively improving things or making recommendation is important for achieving the strategic alliance objective.

Five needs from Maslow's need theory have been tested using correlation analysis. Four needs i.e. basic need, safety need, social need, and esteem need, were found to have significant positive relationship with performance of the alliance. No significant relationship was found for self-actualization need.

For achieving of the strategic alliance objective, basic need is the

most important need to be satisfied to motivate strategic alliance partner to cooperate. Basic need is roughly defined here as mutual benefit between the partners. For satisfaction of the alliance, safety need is the most important need to be satisfied to motivate strategic alliance partner to cooperate. Safety need is roughly defined here as trust between the partners.

Finding from the interview confirm finding from the survey that the more benefit the partner will gain, the more effort the partner would make in the relationship and thus the higher achievement of the alliance. And the more trust among the partners, the more the partners are willing to put their full potential on the table. In addition, some differences in strategic alliance relationship management in different context have been found. Such contextual differences are, for example, business culture, leadership style of the entrepreneur, and nature of the cooperation.

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CHAPTER 1. INTRODUCTION

Section 1. INTRODUCTION

The topic of strategic alliances has been debated and becoming more interested by both scholars and practitioners [1][92]. In the academic world, the number of research papers and studies in this topic has been increasing dramatically in the past decades [47]. While in the practical world, we can observe many forms of strategic alliance on business news headlines in recent years such as Microsoft and Nokia [57] or Google and Samsung [33] in IT industry, or Chrysler and Fiat [13] in automobile industry. Strategic alliance is one of the major trends in the world economy. We can also observe that some strategic alliance formed by more than two organizations e.g. Star Alliance [50].

Research on strategic alliances has been mostly focused on large or global enterprises alliance activities [24]. This focus is perhaps the result of availability of relevant secondary data, which tend to ignore entrepreneurial and relatively unknown small and medium size enterprises (SMEs). However, strategic alliance activities do not limit to only in large enterprises, SMEs around the world are engaging in such activities in various forms of business cooperation or collaboration. They cooperate with their partners in order to achieving some goals that they cannot do it alone effectively or efficiently [24][14][48][4][32][29]. To be precise, with limited resources and capabilities, SMEs may need strategic alliance more than large enterprises do.

As for small business literatures on external relationships, Street & Ann-Frances [78] has categorized the literatures using McGrath's (1964) organizational systems framework into three categories; *Antecedent*, *Relationship Development and Maintenance*, and *Outcome* Literatures. They observed that literatures and understanding in alliance relationship management, in exempt of relationship formation, are relatively underdeveloped. This statement is also corresponded with Choi, Hise, and Bagozzi, (2010) [12] and Ring and Ven, (1994) [66]. However, according to an article "*How to Make Strategic Alliances Work*" published by MIT Sloan Management Review, relationship management may explain the 70 percent failure rate of strategic alliance activities [28][37][41]. So strategic alliance relationship management is very important and more understanding is needed.

There are also various aspects in strategic alliance relationship management such as *maintaining independency with alliance partner, alliance governance, alliance communication or knowledge management, etc.* There are a lot to learn about strategic alliance relationship management but this research will touch narrowly on “*the relationship of alliance partners’ motivation and the performance of the alliance*”. I will apply and test the motivation theories in human resource management with SMEs strategic alliance relationship management to find a new knowledge in this area of research.

Section 2. SME AS A PERSON

When making a decision, SME is more like a person than a large corporation. In SME the key person who makes decision is the owner or the top management of the business [19]. Even though, in larger organization, the final decision may also come from the CEO or the top management of the company, there is also a board of directors, management committee, or a group of people facilitating decision-making in the organization. And there is also a more complex hierarchy of decision-making in larger corporations than in entrepreneurial firms.

Decision-making in SMEs may not always rational for the company. They are often “personality driven” in a way that larger organization are not [19]. It could be more personal oriented or of the owner interest oriented than it does in bigger corporation. The reason behind is that the owner is likely to be the top decision maker of the company, in other word; he/she is likely to be owner/manager of the company. For the owner/manager, unlike corporate manager, the business is inextricable tied up with their life and identity. Thus, while a manager in a large corporation has responsibility, the owner/manager of a small business literally own any decision that they take. So decision-making sometime may not for the best interest of the company, as a business entity, but for the best interest of the owner and driven by personal matters. We can observe these phenomena frequently. For example, instead of selecting the best value supplier for the company, an entrepreneur may select the supplier that belong to his/her friend or family or have long-term relationship with the previous owner or with the family. Culkin & Smith (2000) [19] has observed this characteristic of mixing up between business and personal matter of a small company. In their research, one entrepreneur’s decision was driven by his son’s opinion.

Moreover, when we think about relationship between organizations, it is likely to be relationship between top management of the company in SMEs than in bigger organization. Some large corporation may have a dedicated team or department to facilitate or manage strategic alliance matter [90]. But in SMEs, the owner or top manager is more likely to be the one who take care of the

matter [4]. Thus, in SMEs relationship, organizational relationships are more likely to be the relationship between the top management of the alliance partners.

SME as a person is the presumption underlying this research. With this human aspect of decision-making and relationship in SMEs, I believe applying and testing human resource management theory on strategic alliance relationship management is worth trying. I expect to see similar relationship between motivation of alliance partner and the performance of the alliance like that of employee motivation and performance of employee. I will test the relationship motivation of strategic alliance partner and performance of the alliance.

Thus my research questions were developed as:

1. *“Does strategic alliance partner’s motivation affect the performance of strategic alliance?”*
2. *“To what extent each motivation factor affects the performance of strategic alliance?”*
3. *“How strategic alliance partner motivation affects the performance of strategic alliance?”*

CHAPTER 2. LITERATURE REVIEWS

Section 1. DEFINITION OF STRATEGIC ALLIANCE

Strategic alliance is one of the very useful ways for a business to survive, stay competitive, grow or expand into international market [53][65]. This important bring into many interest in strategic alliances research. Many scholars have sought to explain and organize this collaborative arrangement. But consensus on what strategic alliances is and what forms they take are far from being achievable [58]. However there are some similarities in the definitions of strategic alliance from many scholars. Das and Bing-Sheng (1999) [22] defined strategic alliance as an inter-firms' cooperative agreement aimed at achieving competitive advantage for the partners. Such alliances are usually forged when any single firm finds it either too difficult or too costly to pursue its objectives on its own. This view is also corresponding with Clarke-Hill *et al.* (1998) [15] who perceive a strategic alliance as a coalition of two or more organizations to achieve strategically significant goals and objectives that are mutually beneficial. Mohr and Spekman, (1994) [52] emphasized more on mutual dependency and defined strategic alliance as purposive strategic relationships between independent firms that share compatible goals, strive for mutual benefits, and acknowledge a high level of mutual dependence. Another aspect of strategic alliance definition is time period of the alliance. They added more that the alliance partners would try to maintain a long-term cooperative relationship. Strategic alliances can be seen in various forms e.g. joint ventures, consortia, licensing agreements, product swaps, and supplier and buyer arrangements.

As for this research, strategic alliance is defined as a long-term relationship between two or more organizations formed in order to achieving some strategic objectives, which are not possible or not efficient to achieve it alone. Such objectives are access to rare resources; cost reduction; gain competitive position, or gain new knowledge.

Section 2. WHY A FIRM JOINS STRATEGIC ALLIANCE?

There are many reasons why firms form or join strategic alliances. Researchers have been using many theories to understand and to explain the reasons. Such theories are 'Resource-based-view theory', 'Transaction cost theory', 'Strategic behavior theory', and 'Organizational learning theory'.

2.2.1. Resource based theory

Resource-based view see firm as a collection of resources. These resources provide uniqueness and sustainable competitive advantage for a firm. Barney (1991) [23] categorized these resources into 3 categories, which are physical capital resources, human capital resources, and organizational capital resources. Physical capital resources refer to physical technology used in a firm, its properties, plants and equipment's, its geographical locations, and its access to raw materials. Human capital resources refer to knowledge, experience, skills, judgment, intelligence and relationship of employees in a firm. Organizational capital resources refer to formal reporting structure, formal and informal planning, controlling and coordinating systems as well as relations among groups within a firm and between a firm and its environment.

One of the motivations for a firm to engage in strategic alliance activities is to gain access to the resources that it needs but lacks, and then capitalizes on these resources provided by its partners [91][72][88][40]. Hitt *et al.* (2000) [61] emphasized this motivation for local firms in emerging economy seeking for foreign partners for its assets (resources) especially its partner's technological capabilities. This is quite common reason for many small firms with limited resources and capabilities.

Wisnieski and Soni, (2004) [40] used 'Resource Dependency' theory to explain the motivation for a firm engages in strategic alliance in a similar way. They said "*...the primary reason organizations seek out alliances is to gain control over their environment through these alliances, which can insulate an organization from its external environment and guarantee a more stable flow of resources in times of scarcity...*". Firms that manage their environment

effectively through strategic alliance will not only ensure their survival, but will also be more effective [16]. In summary, firms participate in strategic alliance activity to secure needed resources.

2.2.2. Transaction cost theory

Coase (1997) [86] suggested in his research that, in the real world, there is no transaction without transaction cost and the understanding of transaction cost economizing is central to the study of organizations. Wisniewski and Soni [40] argued that this theory rests on the assumption that markets are most efficient for transactions. And they also suggested that the unit of analysis is the transaction and a firm's motive of minimizing transaction costs is central to this approach. A transaction is the transfer of goods and services across some boundary [87]. Transaction costs include planning, controlling, writing and enforcing contracts, negotiating terms, administering the transactions, and monitoring performance [54][84]. Strategic alliances offer new venture access to resources of partners without the costs associated with ownership [69]. In other words, transaction and production cost can be reduced by strategic alliance [6]. In summary, firms participate in strategic alliance activity to minimize overall transaction and production cost.

2.2.3. Strategic behavior theory

Researchers adopting this perspective view strategic alliances and networks as an alternative organization form for a firm to improve its competitive position compare with its rivals and improve, or maximize, its profitability [31][40][11][46][38]. Such forms of strategic behavior driven alliances include price collusion, exclusive buyer-supplier relationship, or bundle partners' products or services together, etc. Alliances offer firms the opportunities to access new technology and achieve economies of scale and pursue their distinctive competencies [8][6][51][59][64]. In summary, firms participate in strategic alliance activity to gain superior competitive position and maximize profitability.

2.2.4. Organizational learning theory

In the classical economics of Adam Smith and David Ricardo, the sources of value creation are economic factors of production that are land or natural resources, labor, and the capital stock. But in the Technocapitalism era (2002-present) or knowledge economy, as defined by Luis Suarez-Villa, knowledge become one of the most important factors of production especially for firms in knowledge sectors e.g. biotech or IT. Knowledge can take many forms such as technology, innovation, and know-how. Researchers have begun looking at how superior knowledge can improve firm's competitive position [23][31]. Grant (2013) describes basic characteristics of "knowledge" that they are transferability, capacity for aggregation, appropriability, specialization in knowledge in acquisition, and knowledge requirements of production. There are a growing number of researches on how firms can learn from strategic alliances to acquire and develop their competencies [31]. Cooperative relationships can be seen as one means of internalizing core competencies and enhancing competitiveness [74]. In summary, firms participate in strategic alliance activity to secure knowledge through knowledge sharing

Section 3. DEFINITION OF SMALL AND MEDIUM BUSINESSES (SMEs)

There are various ways to define SMEs. The definition of SMEs varies country by country because of the differences in law and infrastructure [56]. SME definitions used by multilateral institutions can be found in table 1. We can observe difference in SME definitions across institutions. World Bank uses 3 dimensions, number of employee, revenues or turnover, and asset size to define SMEs. While Multilateral Investment Fund (MIF) and Inter-American Development Bank (IADB) use only 2 dimensions, number of employee and revenue or turnover. African Development Bank (AfDB) and United Nation Development Program (UNDP) use only one dimension, which is number of employee, to define SME. Among these institutes, the definition varies a lot. The largest SME by World Bank definition is three times bigger than the largest one by MIF and IADB and four times that of AfDB..

Table 1: Definition of SME by International Institutes Source

Institution	Maximum number of Employees	Max. Revenues or Turnover (\$)	Maximum Assets (\$)
World Bank	300	15,000,000	15,000,000
MIF – IADB	100	3,000,000	(None)
African Development Bank	50	(None)	(None)
Asian Development Bank	No official definition. Uses only definitions of individual national governments.		
UNDP	200	(None)	(None)

Source: Small Enterprise Assistance Funds (2008)

In Thailand, Ministry of Industry (2002) uses 2 dimensions in defining SME, which are number of employee, and fixed asset, exclude land size. The definition varies by business. The ministry categorized SMEs into 4 categories by business characteristics include manufacturing, services, wholesale and retail business as mentioned in table 2.

Table 2: Definition of SME in Thailand

	Small		Medium	
	Number of employee	Fixed asset exclude land (million THB)	Number of employee	Fixed asset exclude land (million THB)
Manufacturing	50 or less	50 or less	51-200	>50 to 200
Services	50 or less	50 or less	51-200	>50 to 200
Wholesale	25 or less	50 or less	26-50	>50 to 100
Retail	15 or less	30 or less	16-30	>30 to 60

Source: SME Bank of Thailand (2012)

It is clear that the single definition of SME has not been, if any chance, established yet. However, In general, SMEs are defined as private enterprises that are relatively small compared to other enterprises in the same market or industry and are not formed as a part of large enterprises or business groups.

In this research, I will use the same definition as that defined in Thailand, as presented in table 2, since the main sample in this study will be from SMEs in Thailand.

Section 4. THEORETICAL FRAMEWORK AND DEVELOPMENT OF HYPOTHESIS

The fundamental question in organizational research is “What motivates people to work?”. Pinder (1998) [62] as mentioned in Jurkiewicz and Brown (1998) [42] defined work motivation as the set of internal and external forces that initiate work-related behavior, and determine its form, direction, intensity, and duration. This definition suggests that work motivation cannot be measured by a single variable. It is a multi-facet phenomenon. There are a lot of theories explaining motivation. Traditionally motivation theories can be categorized in two categories, content-based and process-based theory. However, the recent work of Cardona *et al* (2003) [7] proposes that there is another category, which is an outcome-based theory. Thus, theories of motivation can be categorized into three categories namely: content-based theories, which study from antecedent factors of human or environment, process-based theories, which study from management of people, and outcome-based theories, which study from the result of action. But, with the limitation of this research, I will focus on a certain field of motivation theory. Content-based theories will be the main focus on this research since it is one of the well-developed fields with the longest history in the theories of motivation [7].

There are a huge number of research indicate a positive relationship between a person motivation and performance of his/her actions e.g. in studying [44][1][76], playing sports [9] or working [93][43]. And there are also a lot of motivation factors that improve motivation level of a person. Some researchers, for example Brief and Motowidlo (1986) [2], Muethel, Hoegl, and Parboteeah (2011) [55], and Velasquez (2011) [85], in prosocial behavior field believe that prosocial behavior is a source of motivation. Some believe that proactive character of a person is the source [67]. Some classical psychological theorists believe in needs of a person as a source of motivation [49]. All of the mentioned theories above are parts of content-based theories.

As mentioned earlier, there is some human aspect in SMEs management and decision making process, which will effect cooperation and relationship management of strategic alliance. Thus, motivation theory that can explain the relationship between human motivation and the performance of their action can explain the relationship between strategic alliance partner’s motivation and the

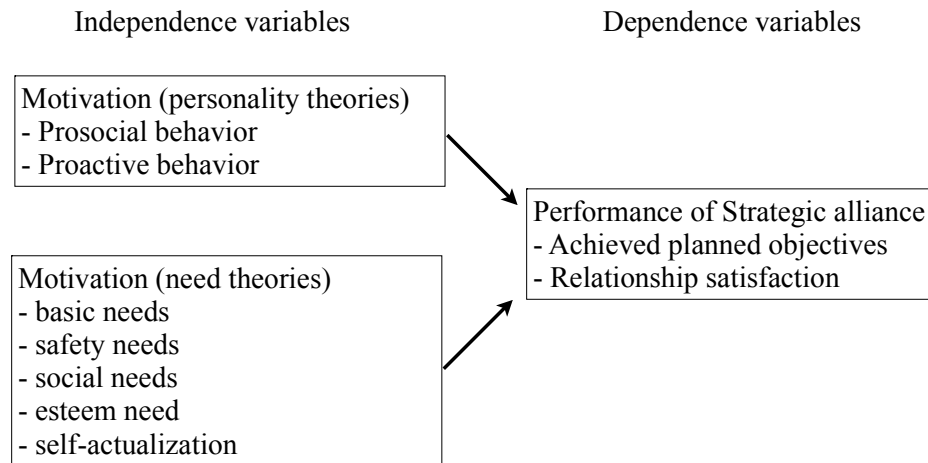
performance of the strategic alliance. As a result, my proposition for this research was developed as follow: *“There is a positive relationship between motivation of strategic alliance partner and performance of the strategic alliance.”*

The first two content-based theories to be investigated are personality theories and need theories. I choose these two areas, among others, since it is easier to study the relationship between antecedent factors and the outcome. I believe it is a good staring point for studying the relationship between motivation and performance of strategic alliance and for applying human resource management theory in explaining strategic alliance management.

Proposition P1

The higher level of motivation of strategic alliance partner is, the higher performance of the strategic alliance.

Figure 1: Theoretical model for this research



Section 5. PERSONALITY THEORIES

In this section, I will discuss about personality theories in relationship to motivation theories. There are two personality theories to be discussed, prosocial behavior theory and proactive behavior theory. The two theories were chosen since they show relationship with performance of employee, in motivation research [2][17]. I will discuss these theories in SME strategic alliance management context, which may have some different aspects from that of human behavior research.

2.5.1. Prosocial behavior

Prosocial behavior is acts such as helping, sharing, donating, cooperating and volunteering. In Brief and Motowidlo (1986) [2] mentioned Katz (1964)'s description of three patterns of behavior necessary for effective organizational functioning; prosocial behavior is one of the patterns. The first pattern illustrates joining and staying in the organization. The second illustrates meeting or surpassing specific performance standards. The third illustrates behaviors that go beyond specified role requirements, behaviors such as cooperation with co-workers, taking action when necessary to protect the organization from unexpected danger, suggesting ways to improve the organization, deliberate self-development and preparation for higher levels of organizational responsibility and speaking favorably about the organization to outsiders. This final pattern can be interpreted as prosocial organizational behavior. Brief and Motowidlo (1986) [2] defined prosocial organizational behavior in 13 specific kinds; 1) Assisting co-workers with job-related matters, 2) Assisting co-worker with personal matters, 3) Showing leniency in personal decisions, 4) Providing services or products to consumers in organizationally consistent ways, 5) Providing services or products to consumers in organizationally inconsistent ways, 6) Helping consumers with personal matters unrelated to organizational service, 7) complying with organizational values, policies and regulation, 8) Suggesting procedural, administrative or organizational improvement, 9) objecting to improper directives, procedures, or policies, 10) putting forth extra effort on the job, 11) volunteering for additional assignments, 12) staying with the organization despite temporary hardship, 13)

representing the organization favorably to outsider.

In this research, I create items to test these prosocial organizational behaviors of employee (as a person) in SME strategic alliance context. The items will be discussed in detail in chapter 3. Similar relationship in employee prosocial behavior and performance of organization can be expected in SME strategic alliance context. SME strategic alliance partner who helps others and show strong prosocial characteristic will make its counterpart in the alliance more willing to cooperate and put more effort to payback the other's kindness. Thus it will result in better performance, both in term of relationship satisfaction and achieving planned objective.

Hypothesis: H1

The higher the level of prosocial personality of the entrepreneur of a company that engages in strategic alliance is, the higher performance of the alliance.

2.5.2. Proactive personality

Proactive personality is defined as a disposition toward taking action to influence one's environment by scanning for opportunities, showing initiative, taking action on and solving problems, and persevering until changes are made [68]. In a more recent research, Crant J.M. (2000) [45] defined proactive behavior as "taking initiative in improving current circumstances or creating new ones; it involves challenging the status quo rather than passively adapting to present conditions (p. 436)." Shi, Chen and Zhou, (2011) [48] used six items to measure proactive level of a person. Those sentences are "If I see something I don't like, I fix it," "No matter what the odds, if I believe in something I will make it happen," "I love being a champion for my ideas, even against others' opposition," "I excel at identifying opportunities," "I am always looking for better ways to do things," and "If I believe in an idea, no obstacle will prevent me from making it happen". There are various studies showing that proactive personality is related to job performance, career outcomes, including salary, promotions and career satisfaction [17], [63], [82], [5]. In the team working perspective, proactive personality is positively related to outcomes such as team empowerment, productivity, and satisfaction [10].

Proactive characteristic of alliance partner could also improve the performance of strategic alliance. Same as proactive personality of a person, a proactive partner can take a proper action when needed without waiting for recommendation from the leader of the alliance or alliance committee. Thus the alliance may be more flexible to the change of its business environment, which result in higher performance of the alliance, in term of meeting planned objectives. However, since working in a team, as a cooperative entity, it may be necessary for partners to consult each other or making consensus before taking action. If a partner in a strategic alliance initiates something that affect the alliance on it own free will without asking or requesting for permission or consensus from the alliance, cohesion or satisfaction of the alliance may suffer. Moreover, since this research is conducted in Thailand context, it can be expected that strategic alliance partners may have higher tendency to keep harmony or cohesion of the alliance rather than taking initiative on his/her own will.

Hypothesis: H2

The higher the level of proactive personality of the entrepreneur of a company that engages in strategic alliance is, the higher level of achievement of objectives of the alliance.

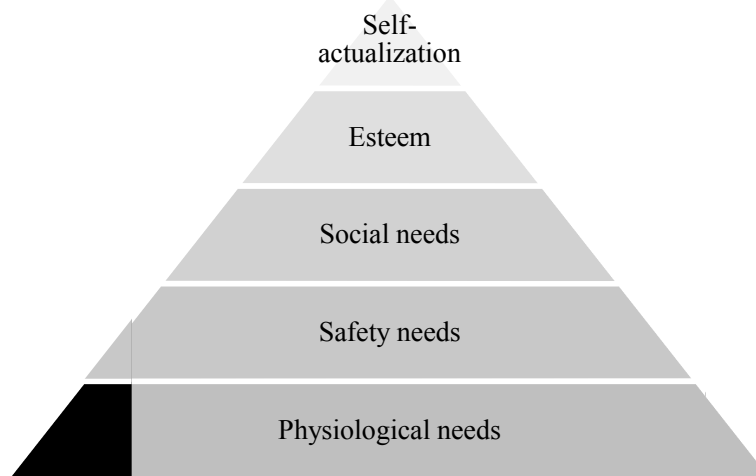
Hypothesis: H3

The higher the level of proactive personality of the entrepreneur of a company that engages in strategic alliance is, the lower level of relationship satisfaction of the alliance.

Section 6. NEED THEORIES

Carter-Steward, J. (2009) [30] describes Maslow's theory of needs in his paper that *"human needs arrange themselves into a hierarchy"* (p. 40). Maslow's theory of needs suggests that an individual will satisfy basic-level needs before modifying behavior to satisfy higher-level needs. Maslow's needs include physiological, safety, social, self-esteem, and self-actualization. In Maslow's model, individuals initially seek to satisfy physiological needs. These are the basic human needs required to sustain life such as food, clothing and shelter. Any other needs, even in higher hierarchy, provide little motivation until these basic needs are satisfied. In other word, needs at the bottom of the list must be fulfilled before motivation can be derived from the needs at the top of the hierarchy. Once physiological needs are fulfilled, safety needs becomes the prime need. Safety or security represents the need to be free of fear of physical danger, the need to be free of scarcity of basic physiological needs, and the need for self-preservation or protection from danger. Afterward, the social or affiliation needs will be the predominant need to be satisfied. These needs are, for example, needs for being accepted by others in society, needs to love and be loved. Esteem needs follows social needs. Esteem needs concern the need to feel good about oneself, one's abilities and characteristics. The satisfaction of the esteem need creates feelings of self-confidence, respect, power, and control. Individuals feel useful and also feel that they have some effects on their environment or they have ability to make change. On the top of the hierarchy is self-actualization. Self-actualization symbolizes the need to maximize one's potential and to become what one is capable of becoming [39], [75].

Figure 2: Maslow's Hierarchy of Needs



Carter-Steward, J. (2009) [30] describes Maslow's theory of need in working environment in table 3. I also compare Maslow's theory of need in strategic alliance environment in table 1. More discussion about each needs factor and motivation will be discussed in next section.

Table 3: Maslow's hierarchy of needs in working environment and in strategic alliance

Needs	For employee	For strategic alliance
Physiological need (Basic need)	A dry and comfortable place to work.	Mutual benefit of engaging in strategic alliance
Safety needs	The desire to work in a safe environment	Secure from relational risk and performance risk
Social needs	The desire for a sense of belonging to an organization or community	The desire for a sense of belonging to an alliance, and communication among partners.
Esteem needs	A yearning for respect	A yearning for respect and recognition form alliance partners
Self-actualization	The need to achieve one's full potential	The need to achieve company's full potential

Source: adapted from Carter-Steward, J. (2009) and author

2.6.1. Physiological need

Physiological need in working environment can be a dry, clean and comfortable place to work [30]. These are examples of basic need for employee to be able to work properly. More explanation of physiological need of human can be found in various psychological researches. But what are physiological needs for strategic alliance partner to be able to work in strategic partnership properly? For a strategic alliance, I will use the term “basic need” rather than “physiological need”, which is more properly describes this need in strategic alliance context.

Back to the meaning of physiological need, we can find that physiological need is the basic human need required to sustain life. So, comparatively, physiological need for strategic alliance is the need required to sustain the life of the alliance. There may seem to be various reasons for a strategic alliance to survive such as good communication, commitment of partners, effective governance of the alliance, etc. But the fundamental reason that keeps strategic alliance alive is mutual-benefit of alliance partners. If there is no such benefit, either immediate or in the future, there is no reason for strategic alliance to operate.

Studies [18] from why firm participate in strategic alliance activity suggests that there are 4 major theories explaining why firms join strategic alliance. Those theories are resource-based theory, transaction cost theory, strategic behavior theory, and organization learning theory. Resource-based theory suggests that a firm joins strategic alliance to acquire and secure needed but difficult to obtain resources. Transaction cost theory suggests that a firm participates in strategic alliance activity to minimize overall cost, both transaction and production cost. Strategic behavior theory suggests that a firm participates in strategic alliance activity to gain superior competitive position and maximize profitability. Finally, organizational learning theory suggests that a firm participates in strategic alliance activity to secure needed but lack knowledge. So in summary, a firm joins strategic alliance 1) to secure needed resources, 2) to minimize overall cost, 3) to gain superior competitive position and to maximize profitability or 4) to secure needed knowledge. These are fundamental reasons (needs) why firm join strategic alliance. In other word, they are basic need that allows strategic alliance to survive.

According to physiological or basic need issue, my hypothesis was developed as the higher the basic needs (i.e. either to secure resources, to minimize cost, to maximize profit, or to secure knowledge) are being satisfied, the higher performance of strategic alliance.

Hypothesis: H4

The higher basic need of the alliance partner is being satisfied is, the higher performance of strategic alliance.

2.6.2. Safety need

In psychological and human resource management research, safety or security need represents the need to be free of fear of physical danger, the need to be free of scarcity of basic physiological needs, and the need for self-preservation or protection from danger. But what can be danger for strategic alliance partnership? There are two types of alliance risk (danger): relational and performance [25], [81]. Relational risk is defined as the risk of opportunistic behavior of one of the partners having negative impacts on the other. In other words, it refers to the concern that firms may not work toward the mutual interest of the partners and they may not cooperate in a manner specified in strategic alliance agreement or as expected by their partners. Such risks are, for example, being cheated, taken advantage of, and unfairly treated or short-term profit taking by alliance partner. Das and Teng (1996) [81] define performance risk as the probability that an alliance may fail even when partners commit themselves fully to the alliance. They also provide criteria for relational and performance risk. Relational elements include: protecting firm resources while gaining access to new partner resources; contractual control; managerial control; specificity of work share; extent of communication; alliance fit or tightness of fit; and cooperation and competition. Performance risk includes: association with parent strategic vision; the degree to which agreements can be modified; likelihood of losing investments (often non-recoverable); exit provisions; controls; new learning applications; compatible objectives; and short- and long-term orientations.

These risks can be reduced by communication [37], [89], trust [34], [83], measurement

[89], [21], and commitment and cooperation [20]. Communication can reduce risk or uncertainty by providing more information to the alliance partners. Gulati et al (1994) [89] suggests that frequent meetings between the partners' top management to help ascertain proper functioning and to further mutual understanding. Open and prompt communication is an important characteristic of trusting relationship, which is also important to reduce relational risk in the alliance. Moreover, in the inter-firm relationship, trust is essential for the development of enduring partnerships [77]. Das and Tang (1998) [20] also suggest that trust can reduce risk and uncertainty in the alliance. Performance evaluation or measurement is a critical element for a successful strategic alliance and it should include information that is both strategic and operational, with proper metrics, and also contain short- and long-term objectives [60]. Measurement can reduce performance risk since it will bring into consideration from management of partners when needed. Without reliable and effective measurement system, alliance partners couldn't know the problem. Commitment and cooperation among partners also reduce risks, both relational and performance since partner put significant resources into the alliances [20], [35]. With significant commitment, exit cost of alliance partner is high. Thus, alliance partners need to make the alliance works.

According to the safety need, my hypothesis was developed as the higher safety need is being satisfied, for example partners trust each other, reliable and effective measurement scheme is established, frequent communication, or strong commitment from each others, the higher performance of strategic alliance.

Hypothesis: H5

The higher safety need of the alliance partner is being satisfied is, the higher performance of strategic alliance.

2.6.3. Social need

Social need is the desire for a sense of belonging to an organization or community [79]. It is also apply the same in strategic alliance context. As mentioned before in this research, SMEs is more like a person. This statement is a presumption of this research. Entrepreneur or a manager of an

SME has social need. This is a need to feel a sense of belonging and acceptance in their social group i.e. the alliance. After lower needs, physiological and safety, are met, social need will be the next motivation for one to perform things. Being part of something larger than oneself has been understood as part of human psychology for decades [27]. Studies suggest that “direction in which the organization is headed”, “employee involvement” and “open and candid communication” are the drivers at this level. Social need could be satisfied by group functions such as luncheons, after-work parties, and ceremonies like bestowing personalized business cards on the new employee right away [36]. Successful cultures strengthen this social need will encourage the individual to be a strong contributor to the organization [27].

As for this research, I interpreted social need of alliance partners as a need of belonging to the alliance or need of being accepted by other alliance partners. This social need can be motivated and satisfied by, as in psychological research, informal socializing activities e.g. luncheons or parties, or formal organizational activities e.g. meeting, involvement of the alliance policy making by alliance partners, or open and sincere communication between partners.

Thus my hypothesis regarding relationship of social need and performance of strategic alliance was developed as the higher social need of alliance partner being satisfied, the higher performance of strategic alliance.

Hypothesis: H6

The higher social need of the alliance partner is being satisfied is, the higher performance of strategic alliance.

2.6.4. Esteem need

While closely related to the love/belongingness needs, the esteem needs focus on the desire of employees to feel independently important [49]. Having high esteem at work is similar to enjoying a sense of self-evaluative inner confidence. Outside the domain of motivation theory, the term “self-esteem” has numerous meanings. Maslow, yet, stated that there are two distinct ways in

which to view self-esteem, false self-esteem and true self-esteem. False esteem is created by praise and support from peers, associates, and co-workers. While this version of esteem is not really incorrect or has bad meaning, it is best translated into the work lives of teenagers and immature adults. True self-esteem, the form that potentially leads to the much-preferred state of self-actualization, includes acknowledgment and approval from others. Unlike the false one, the true one is internalized much differently. It is viewed as a motivational stepping-stone that encourages substantially more development and success at work. Hence, the mature employee recognizes own accomplishments and sees achievements as rewards for a job well done [49].

In this research, self-esteem for strategic alliance partner is defined as the desire of alliance partner to feel significantly important for the alliance, to see itself as an important contributor to the alliance, or to feel accepted and respected by other alliance partners.

Thus my hypothesis was developed as the higher self-esteem is being satisfied, e.g. being recognized by alliance partners, getting praise, or feeling important, the higher performance of the alliance.

Hypothesis: H7

The higher esteem need of the alliance partner is being satisfied is, the higher performance of strategic alliance.

2.6.5. Self-actualization

As seen the hierarchy of needs model, self-actualization is located at the uppermost point on the pyramid. It is the final step in a complex progression leading toward motivation and satisfaction. It occurs when an employee recognizes and becomes comfortable with who he or she truly is. Self-actualization is an internally cognitive transition constructed in the presence of previously satisfied needs. Maslow (1943) [49] described it as being more like a happening of self-awakening without doing so on purpose. In addition to the fact that authentic self-actualization can emerge only under favorable and fitting circumstances and like other lower need, one has to fulfill the lower need to reach this level of need and motivation. As one feels comfortable in the

previous level of needs, one begins to see his or her jobs as extensions and supplements of oneself [49][3]. These descriptions of self-actualization may be difficult to understand. Fortunately, DesJardins summarized self-actualization attributes from four famous researchers in theory of self-actualization, namely Maslow (1970), Shostrom (1974), Campbell (1998) and Stevens (2005). Some attributes, for example, include “directed by their inner self”, “a life of learning”, “self discovery”, “acceptance”, “responsibility and truth”, “actualizing one’s potential”, “takes growth choices”, “spontaneity”, “autonomy”, “interpersonal relationship”, “humor”, “creativity”, and “imperfection”.

In this research, self-actualization for strategic alliance partner is defined as the desire of alliance partner to recognize and becomes comfortable with what it really is; it has its own drive to make contribution to the alliance or to make things better; being an initiator in the alliance.

My hypothesis was developed as the higher self-actualized need is being satisfied, e.g. being spontaneity, being initiator, or being creative, the higher performance of the alliance.

Hypothesis: H8

The higher self-actualization of the alliance partner is being satisfied is, the higher performance of strategic alliance.

CHAPTER 3. METHODOLOGY

Section 1. EMPIRICAL SETTING

Small and medium enterprises (SMEs) serve as empirical setting for this research. The research aims try to understand SME strategic relationship management and to answer three research questions: *“Does strategic alliance partner motivation affect the performance of strategic alliance?”* *“To what extent strategic alliance partner motivation affects the performance of strategic alliance?”* and *“How strategic alliance partner motivation affects the performance of strategic alliance?”*.

SME in Thailand serve as empirical setting because of several reasons as follow:

1. SME is the main interest in this research,
2. There is limited number of study in SME in smaller emerging market (Thailand) than in developed market e.g. the US or European or in bigger emerging market e.g. China,
3. And Thailand, along with other ASEAN country, is facing economic structure change called ASEAN Economic Community or AEC.

In Thailand, SMEs account for 3.86 trillion Baht or 36.6% of the GDP in 2011 [73]. Small enterprise (SE) is accounted for 2.58 trillion Baht (24.5% to GDP) while Medium enterprise (ME) is accounted for 1.28 trillion Baht (12.1% to GDP). However, in term of registered business entity, SMEs accounted for 99.6% of the total and employ 10.5 million people or 77.8% of the labor forces [26]. Thus SME is very important to Thailand economy.

Moreover, Thailand is facing the structural change in the economy. The fully effective date of AEC is coming in 2015. SMEs in Thailand are now adapting to the change. The biggest change will be free flow of capital and labor which will enable SMEs from other ASEAN countries to invest in Thailand and for Thailand SMEs to invest in other ASEAN countries easier and at lower cost. SMEs need to be prepared for the change and participating in strategic alliance could be one of the ways to be prepared.

The respondents of this research will be entrepreneurs or managers of SMEs. They will be asked to participate in the web survey either having strategic alliance experience or not. A filter

question will filter out those without strategic alliance in the questionnaire after acquiring basic information of the participants. Those with strategic alliance experience will be asked to participate in further research by telephone or email interview.

Section 2. MEASUREMENTS

All of the items employed to measure the hypotheses were delineated and adapted from the relevant literature both in strategic alliance, motivation and psychology fields. The number of items for each hypothesis was reduced to a manageable set of items, based on feedbacks of reviewers from business associations that participate in the distribution of this research, an entrepreneur who has experience in strategic alliance, peers and a faculty. Reviewers were asked to review the questionnaire and provide feedback before send the questionnaire to targeted samples. The final items to measure the hypotheses used five point Likert scales anchored by (1) strongly disagree and (5) strongly agree.

3.2.1. Prosocial

Prosocial behavior testing items were developed and adapted from Brief and Motowidlo's (1986) [2] research and modified to fit strategic alliance context. Four items, '*You assist your alliance partner in the alliance matters*', '*You assist your alliance partner in the alliance in non-alliance matters*', '*You suggest procedural, administrative or organizational improvement to the alliance/ the alliance partners*' and '*You represent the alliance/ the alliance partners favorably to outsiders*', were developed to measure prosocial behavior level. The first two items measure 'kindness' or 'willing to help' of strategic alliance partner. Willing to help is one of the components of prosocial behavior. One item, '*You suggest procedural, administrative or organizational improvement to the alliance/ the alliance partners*' was designed to measures 'more than expected' or 'go beyond requirement' behavior level of strategic partner. '*You represent the alliance/ the alliance partners favorably to outsiders*' item measures the extent to which a strategic alliance positively represents the alliance to outsiders.

3.2.2. Proactive

Proactive behavior testing items were developed and adapted from Shi, Chen and Zhou's

(2011) [71] research and modified to fit strategic alliance context. They used six items to measure proactive level of a person. In this research, I use four items, *'If you see something you don't like in the alliance, you fix it'*, *'You are always looking for better ways to do things'*, *'You like being a champion for your ideas, even against others in your alliance or your alliance partner'*, and *'You are excel at identifying opportunities'*, to measure proactive level of strategic alliance partners.

3.2.3. Basic need

I interpreted basic need for an alliance as the need required to sustain the life of the alliance in the same way as physiological need to sustain the life of human. The need that required sustaining the life of the alliance is the reasons why firm join the alliance, which is mutual benefit among partners. So I apply the 3 reasons why firm join strategic alliance as a measurement of basic need. Those reasons are 1) to acquire need but lack resources, 2) to be more competitive or more profitable, and 3) to learn new knowledge. The actual items in the questionnaire are *"You secure needed resources (tangible and intangible) from the alliance"*, *"This alliance has positive effect on your company overall financial performance"*, and *"You believe you gain significant benefit from the alliance"*.

3.2.4. Safety need

Safety need is literally interpret as need of safeness. And safeness in strategic alliance context can be interpreted as less riskiness. I apply some items that were empirically proved to reduce risk in the strategic alliance, which are, for example, 1) trust among partners, 2) effective communication, or 3) cooperative level of the alliance partners. The actual items in the questionnaire are *"You can trust your alliance partners and feel safe joining the alliance"*, *"You have good communication with your alliance partners"*, and *"You and your alliance partners cooperate with each other well"*.

3.2.5. Social need

As mentioned earlier, social need is the desire for a sense of belonging to an organization or community. I developed items based on result from psychological research about motivation.

Those items that can measure social need satisfaction are, for example, involvement or engagement of an employee, interpersonal relationship within the organization, or participation in social interaction activities. So in this research, I use these statements, *“You feel engage with the alliance”*, *“You believe you can be friend with some of your alliance partners”*, and *“You frequently participate in the alliance social activities e.g. luncheons, dinners, parties”* as the items to measure social need.

3.2.6. Self-esteem

Self-esteem was measured by the extent to which each respondent is being accepted or respected by others. Three items were used to measure which are *“Your efforts are being acknowledged by the alliance/alliance partners”*, *“You opinion highly influence the alliance matters”*, and *“You are important to the alliance”*.

3.2.7. Self-actualization

Self-actualization was measured by the extent to which each respondent is being aligned with self-actualization characteristics. There are a lot of characteristics that indicate self-actualization. I chose three characteristics, among others, that can be apply in strategic alliance context. The three items were used to measure, which are *“You want your company and the alliance to reach its full potential”*, *“You are idea initiator of the alliance and you provide creative opinion”*, and *“You accept imperfection of yourself, of the alliance and of alliance partners”*.

3.2.8. Performance

Self-actualization was measured by the extent to which each respondent believed its firms achieved strategic alliance objective and satisfied with the relationship with strategic alliance partners.

Section 3. DATA COLLECTION

A web survey, which operated by Qualtrics online web survey platform, and Internet telephony (Skype) survey were employed to collect data and empirically test the hypotheses

proposed. The emails asking for cooperation in distributing web survey were sent to total of 162 business associations in various industries and various businesses across Thailand. The questionnaire itself was sent to 226 individual entrepreneurs listed in Department of Business Development academy's directory and was shared on the social media.

In the first wave of questionnaire distribution, 20 business associations were asked to cooperate on distributing the questionnaire through their network. Three of them accepted to do so. The three associations said to send approximately total of 2,200 emails to their members. 27 completed responses (1.2% response rate) were collected from this round. But the responses that answer to have one or more strategic alliance activities, which are the main control question, were only 16 responses. In conclusion, the response rate of usable from first set of questionnaire was approximately 0.7%.

Since the number of usable responses was not enough for statistical relationship analysis, the second wave of questionnaire was sent to 142 associations asking for distributing the questionnaire. The associations consist of business associations in various industries and various businesses across Thailand. 11 associations agreed to cooperate. The number of questionnaire distributed by the associations was not fully reported. In addition, the questionnaire was also sent to 226 individual entrepreneurs listed in Department of Business Development academy's directory and was shared on the social media. 60 completed responses were collected and those said to have one or more strategic alliance activities were 29 responses. Since the number of email recipients was unaccountable, the response rate of the second wave was unable to be calculated.

The respondent should be an entrepreneur or a manager of SME in Thailand. The respondent was asked to answer whether or not his/her company has been involved in one or more strategic alliance activities. If his/her company has never been involved, he/she will not be able to proceed to the further questions. The condition was untold beforehand to prevent response bias and to learn how many percentages of firms has been involved in such activity. As for those answered to has been involved, they were asked to choose the most recent strategic alliance to avoid automatically selecting the most successful or most unsuccessful strategic alliance relationship [12].

Strategic alliance is defined as a long-term relationship between two or more organizations formed in order to achieving some strategic objectives, which are not possible or not efficient to achieve it alone.

The collected completed responses were 87 responses. Out of these responses, 45 answered to have had one or more strategic alliances. However, those samples that are not complying with the condition of SMEs (Total non-land assets less than 200M and employee less than 200 people) were excluded. The total responses for analysis are 76 and those answered to have strategic alliance is 40. Since the total number of responses was not enough to accurately run statistical relationship analysis, the researcher conducted the interview with 5 entrepreneurs to gain qualitative data to improve the analysis. The interviewees are those entrepreneurs who replied in the survey that he/she is willing to participate in the further level of the research. The researcher interviewed these entrepreneurs using Skype. Interview procedure and interview guide can be found in appendices.

CHAPTER 4. ANALYSIS AND DISCUSSION

In this chapter, research finding and analysis will be discussed. The data in this research were gathered in both quantitative and qualitative manners. The finding and analysis will also be discussed in quantitative and qualitative simultaneously. Data and analysis from qualitative finding will be added if needed in the quantitative analysis part. And data and analysis from quantitative finding will also be added if needed in the qualitative analysis part.

Section 1. QUANTITATIVE FINDING AND ANALYSIS

4.1.1. Firm factors and strategic alliance engagement

In this part, relationship between firm factors e.g. type of business, type of key customer, firm size, etc. and firm engagement in strategic alliance activity. These analysis aims to understand what kind of firm tend to engage in strategic alliance partnership. To find out the relationship, crosstab and chi-square were employed to analyze the data. Analysis result can be found in table 4.

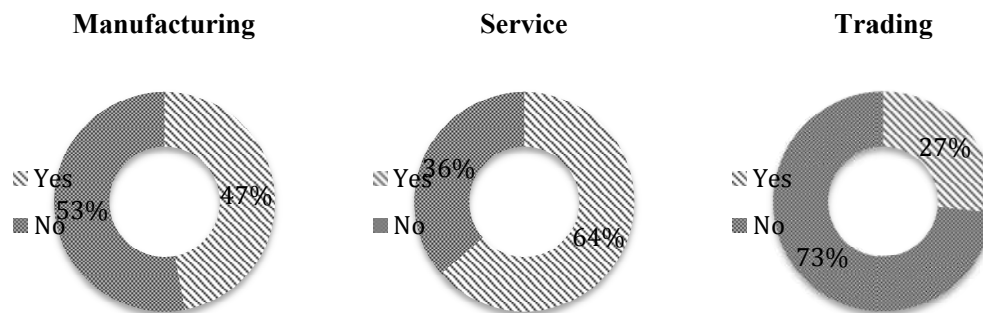
Type of business (Manufacturing, Service, and Trading)

Type of business has a significant relationship (Pearson chi-square $p < 0.05$ with minimum expected count > 5) (table 4) with engagement in strategic alliance. In other word, there is a significant different among type of business and engagement in strategic alliance. From figure 3, we can observe that service business is the most active business in term of engaging in strategic alliance. From this survey, which conducted from SMEs in Thailand, 64% of service businesses has been engaging in strategic alliance. However, only 27% of trading businesses are engaging such activity. About half (47%) of manufacturing businesses are engaging in strategic alliance.

The different could be from the different in business model of each type of business. Service business is more complex than other type of business. From the interview (more detail can be found in qualitative analysis part), the research observed that the cooperation in business industry is more complex than others. For example, in logistic business, the entrepreneurs cooperate with -

other related businesses, i.e. shipping business, to offer full range or one-stop-service for their clients. The cooperation was not simply buyer-supplier relationship like that in trading business. In this cooperation, for example, need more integration in each process of operation of each partner, ranging from sales and marketing to delivery.

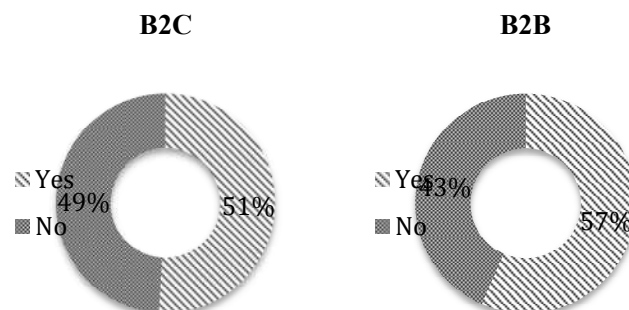
Figure 3: engagement in strategic alliance by type of business.



Type of customer (B2B or B2C)

Type of customer has no significant relationship (chi-square $p > 0.05$ with minimum expected count > 5) (table 4) with engagement in strategic alliance activity. 51% of businesses whose key customers are consumer customers are engaging in strategic alliance activity while 57% of those whose key customers are business customers are doing so. We can observe a little higher rate of engaging strategic alliance in B2B business but the different is not statistically significant.

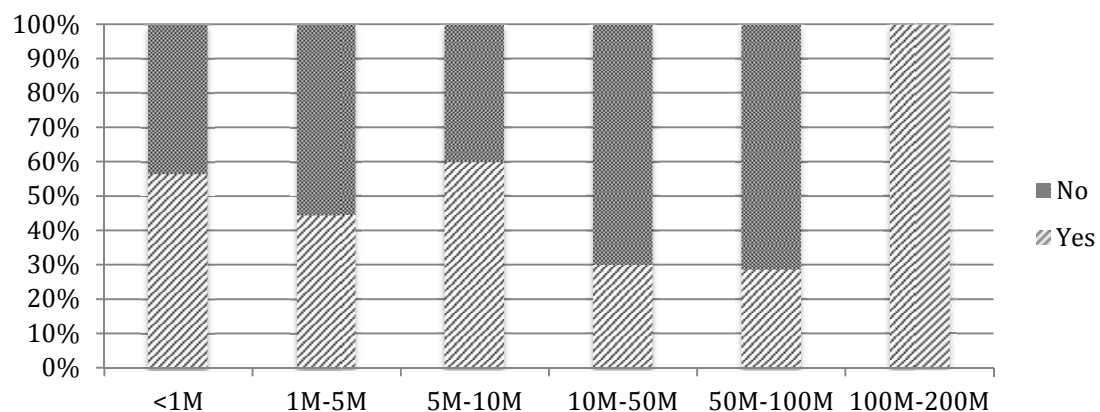
Figure 4: engagement in strategic alliance by type of customer.



Firm size by asset

Size of the firm by asset may have a relationship with engagement in strategic alliance (chi-square $p < 0.05$ but minimum expected count < 5) (table 4). We can see the relationship but it is not statistically proven. The relationship may not be accurate since the sample was too small (expected count less than 5).

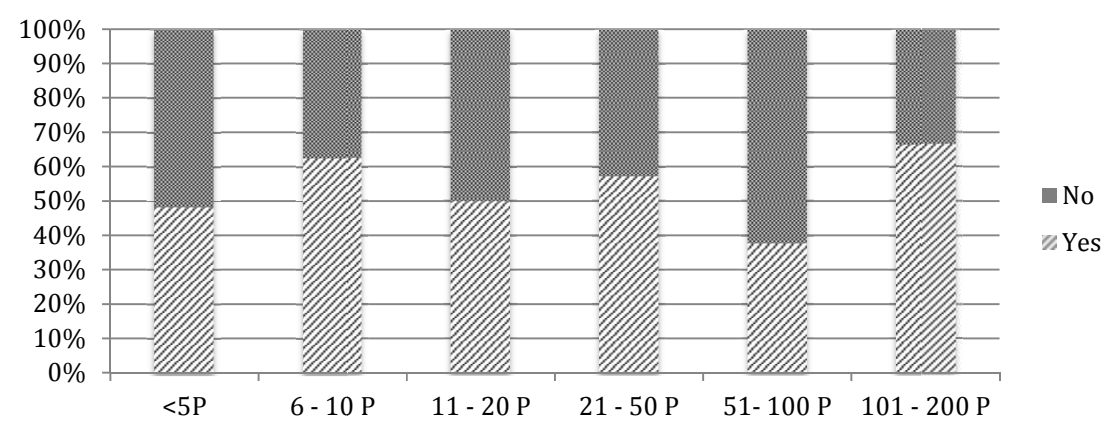
Figure 5: Strategic alliance engagement percentage by asset size



Firm size by employee

Size of the firm by employees may have no relationship with engagement in strategic alliance (chi-square $p > 0.05$ but minimum expected count < 5) (table 4). We can see the relationship but it is not statistically proven. However, the relationship may not be accurate since the sample was too small (expected count less than 5).

Figure 6: Strategic alliance engagement percentage by asset size

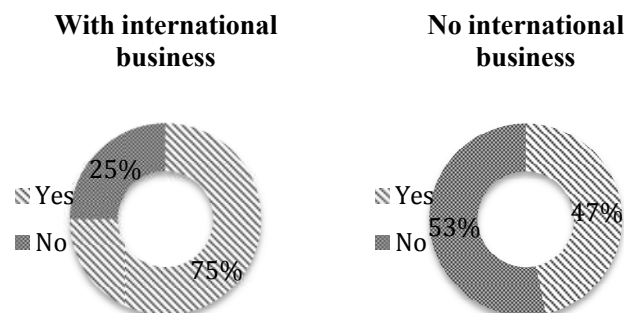


International business

There is a significant relationship (chi-square $p < 0.05$ and minimum expected count > 5) (table 4) between international characteristic of firm (doing international business or not) and engagement in strategic alliance activity. Firm with international business (branches, subsidiaries, or joint ventures) tend to engage in strategic alliance activity. 75% of those with international business activity engage in the strategic alliance. While only 47% of those with no international business engage in the strategic alliance activity.

This finding may support the argument mentioned before that the more complex the business is, the more need for strategic alliance activity. Firm with international business activity will be more active in engaging in strategic alliance. From the interview with two entrepreneurs who have a business overseas, they said partnership is important especially when doing business in foreign country. International partners will bring you their knowledge especially their local market knowledge. And sometime you will gain access to lower cost resources if your partner is in low cost country like China.

Figure 7: engagement in strategic alliance by international business.



4.1.2. Firm factors and strategic alliance factors

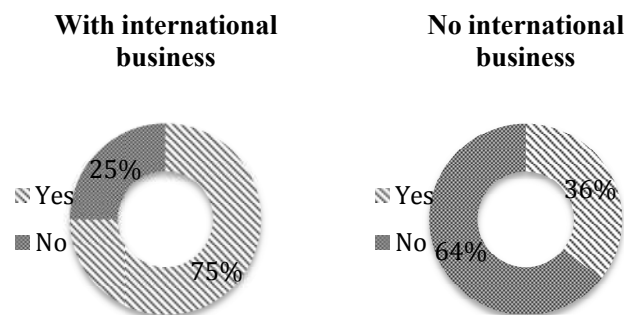
There is only one firm factor that has a significant relationship and can be proved statistically with one alliance factor. That firm factor is international business factor and that alliance factor is international partnership. There also another 3 firm factors and 3 alliance factors that have relationship to each other. However, the relationship cannot be proved accurately because of limited sample size and causation is not very clear. Testing result of relationship of each factor can be found in table 5.

International business and international partnership

International business has a significant relationship (Pearson Chi-square $p < 0.05$ with minimum expected count > 5) (table 5) with international partnership. Firm with international business tend to engage in international partnership. 75% of firms with international business and engaging in strategic alliance activity have international partnership. While only 35% of firms without international business and engaging in strategic alliance activity have international partnership.

The relationship suggest that firm with international business tend to engage in international business alliance. It is natural that firm with international business need international business partner. To expand in to a foreign market, local market knowledge is very important. Firms can gain local understanding efficiently and effectively by partnering with local business partners [88].

Figure 8: engagement in international strategic alliance by international business.



4.1.3. Firm/strategic alliance factors and performance of the alliance

It seems that there is no firm factors or alliance factor that have a significant relationship with performance of the alliance. In other word, performance of the alliance (achievement of alliance objective and satisfaction of alliance relationship) cannot be determined by firm factors (i.e. type of business, type of customer, size of the firm, and international business) and/or by alliance factors (i.e. industry of the alliance partner, nationality of partner, officiality of the alliance, or objective of the alliance).

One-way ANOVA was employed to test the relationship between firm/alliance factors and performance of the alliance. No factor was found to have a significant relationship (one-way ANOVA, $p < 0.05$) with acceptable statistical accurate (Levene value, $p < 0.05$). However some testing result may not be accurate since the limited number of the samples. More detail of the statistical testing can be seen in table 6.

4.1.4. Firm/strategic alliance factors and personality

It seems that there is no significant relationship between any firm or any alliance factor and the personality (i.e. prosocial and proactive) of the entrepreneur. In other word, personality of the entrepreneur cannot be determined by firm factors and/or alliance factors.

One-way ANOVA was employed to test the relationship between firm/alliance factors and personality of the alliance. No factor was found to have a significant relationship (one-way ANOVA, $p < 0.05$) with statistical accurate (Levene value, $p < 0.05$). However some testing result may not be accurate since the limited number of the samples. More detail of the statistical testing can be seen in table 7.

4.1.5. Firm/strategic alliance factors and needs

It seems that there is no significant relationship between any firm or any alliance factor and the need satisfaction (i.e. basic, safety, social, esteem, and self-satisfaction) level of the entrepreneur. In other word, need satisfaction of the entrepreneur cannot be determined by firm factors and/or alliance factors.

One-way ANOVA was employed to test the relationship between firm/alliance factors and need satisfaction of the alliance. No factor was found to have a significant relationship (one-way

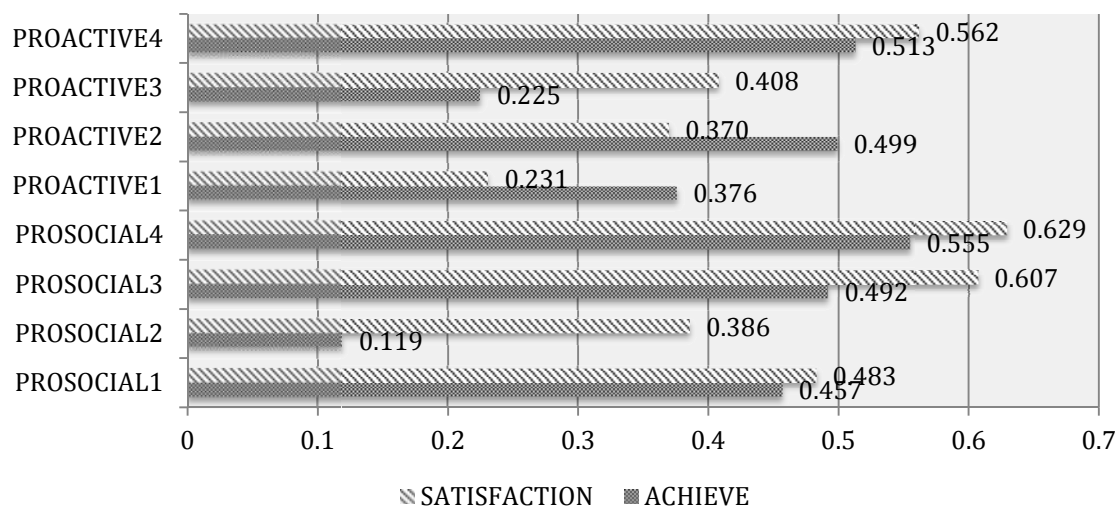
ANOVA, $p < 0.05$) with statistical accurate (Levene value, $p < 0.05$). However some testing result may not be accurate since the limited number of the samples. More detail of the statistical testing can be seen in table 8.

4.1.6. Personality and performance of the alliance

There are significant relationships between personality and performance of the alliance. 6 of prosocial and proactive personalities have statistical significant relationship with achievement of objective of the alliance. One prosocial and one proactive have no significant relationship. The two are “You help alliance partners in some tasks that not directly related to the alliance matter or you have no benefit with”, which is one of the variable to measure prosocial personality level of the entrepreneur, and “You like to do something that you believe it will help improve the performance of the alliance even if that could make a conflict with the alliance partner”, which is one of the variable to measure proactive personality level of the entrepreneur. More detail about each variable can be seen in example of the questionnaire appendix.

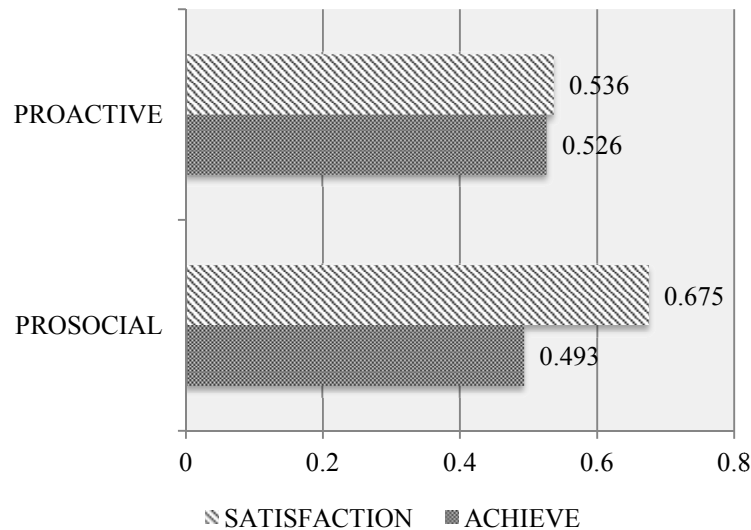
7 of prosocial and proactive personalities have statistical significant relationship with relationship satisfaction of the alliance. One proactive variable has no significant correlation with the satisfaction. The one is “If you see something you can make it better, you will do it immediately”. More detail of the statistical testing can be seen in table 11.

Figure 9: Correlation between personality and performance of the alliance.



When consider the variables into two groups; prosocial and proactive, both groups of personality show significant correlations with performance of the alliance. However, we can observe that satisfaction of the relationship has higher correlation (0.536 with proactive personality and 0.675 with prosocial personality) with personality than that achievement of objective of the alliance does (0.526 with proactive personality and 0.493 with prosocial personality). Moreover, we can observe that satisfaction of the relationship rely much on prosocial personality (0.675) while achievement of objective of the alliance rely much on proactive personality (0.536).

Figure 10: Correlation between personality (in group) and performance of the alliance



Thus, when conducting bivariate correlation analysis of each factor, we can conclude that hypothesis 1 and 2 are accepted and hypothesis 3 is rejected.

Hypothesis: H1: Accepted

The higher the level of prosocial personality of the entrepreneur of a company that engages in strategic alliance is, the higher performance of the alliance.

Hypothesis: H2: Accepted

The higher the level of proactive personality of the entrepreneur of a company that engages in strategic alliance is, the higher level of achievement of objectives of the alliance.

Hypothesis: H3: Rejected

The higher the level of proactive personality of the entrepreneur of a company that engages in strategic alliance is, the higher level of relationship satisfaction of the alliance.

Regression analysis (please see equation 1 and equation 2) was also employed to test the relationship. The results from regression analysis confirm finding from correlation analysis that personality has a significant relationship with performance of the alliance. And satisfaction of the relationship rely more on prosocial personality ($\beta +0.231$, $p<0.05$) than on proactive personality ($\beta +0.082$, $p>0.05$) while achievement of objective of the alliance rely more on proactive personality ($\beta +0.14$, $p<0.05$) than on prosocial personality ($\beta +0.11$, $p>0.05$). (Please see more detail in table 9 and table 10)

Equation 1

$$SATISFACTION = -1.105 + 0.231 \times PROSOCIAL + 0.082 \times PROACTIVE$$

Equation 2

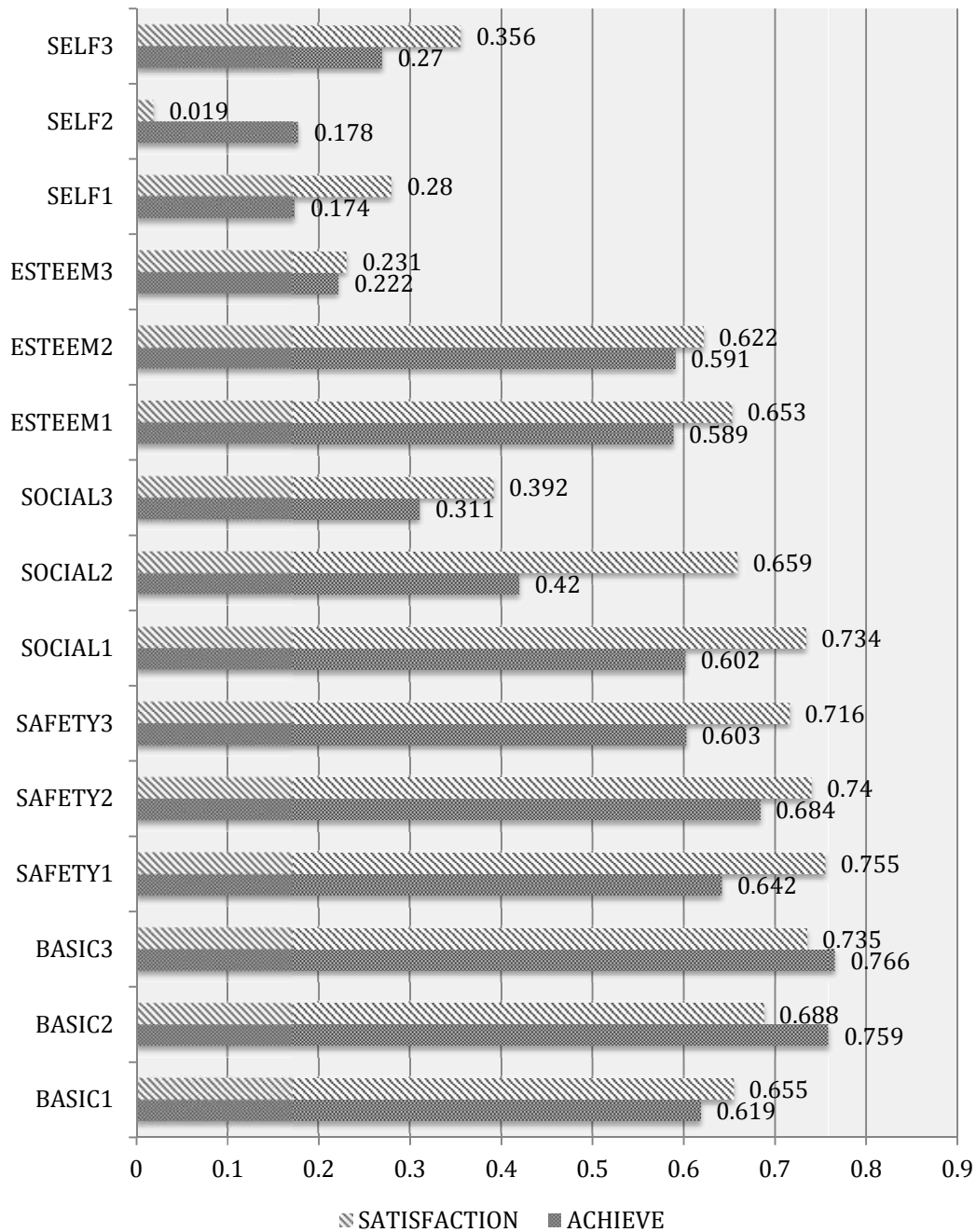
$$ACHIEVEMENT = -0.15 + 0.11 \times PROSOCAIL + 0.14 \times PROACTIVE$$

4.1.7. Need satisfaction and performance of the alliance

There are significant relationships between need satisfaction and performance of the alliance. 10 of need variables have statistical significant relationship with achievement of objective of the alliance. Satisfaction level of one social need, one esteem need and three self-actualization needs have no significant relationship. The statement that designed to measure that one social need is *“You usually socialize with strategic alliance partners e.g. have a luncheons or dinner, go to a party, etc.”*. The statement that designed to measure that one esteem need is *“You believe are important to the alliance partner. You partner can operate better with you”*. The statements that designed to measure that three self-actualization need are *“You want your company and the alliance partners to reach their full potential”*, *“You always proposed a novel ideas to the alliance”*, and *“You accept imperfection of yourself and the alliance partners”*. More detail about each variable can be found in example of the questionnaire appendix.

12 need variables have statistical significant relationship with achievement of objective of the alliance. Satisfaction level of an esteem need and two self-actualization needs have no significant relationship. The statement that designed to measure that one esteem need is *“You believe are important to the alliance partner. You partner can operate better with you”*. The statements that designed to measure that two self-actualization need are *“You want your company and the alliance partners to reach their full potential”* and *“You always proposed a novel ideas to the alliance”* More detail of the statistical testing can be seen in table 12. Summary of correlation between level of need satisfaction and the performance of the alliance can be found in figure 11.

Figure 11: Correlation between need satisfaction and performance of the alliance



When consider the variables into five groups of need; basic need, safety need, social need, esteem need, and self-satisfaction need, all the groups of need show significant correlations with performance of the alliance. However, we can observe that there is the different in order of need satisfaction correlation between that of “achievement of the alliance” and “satisfaction of the alliance”. For “achievement of the alliance”, it is highest correlated with basic need (0.799), then

followed by safety need (0.718), social need (0.551), esteem need (0.547), and self-actualization (0.264). While “relationship satisfaction” is highest correlated with safety need (0.823), followed by basic need (0.778), social need (0.742), esteem need (0.587), and self-actualization (0.267). Please see figure 12 for more detail.

So we can conclude that the most important need to be satisfied in order to achieve objective of the alliance is basic needs. While the most important need to be satisfied in order to satisfy with the alliance relationship is safety needs. For “achievement of the alliance”, the need order is along with the Maslow’s hierarchy of need. But for “relationship satisfaction”, there is some different in the first two needs. Please see figure 13.

Figure 12: Correlation between need satisfaction (in group) and performance of the alliance

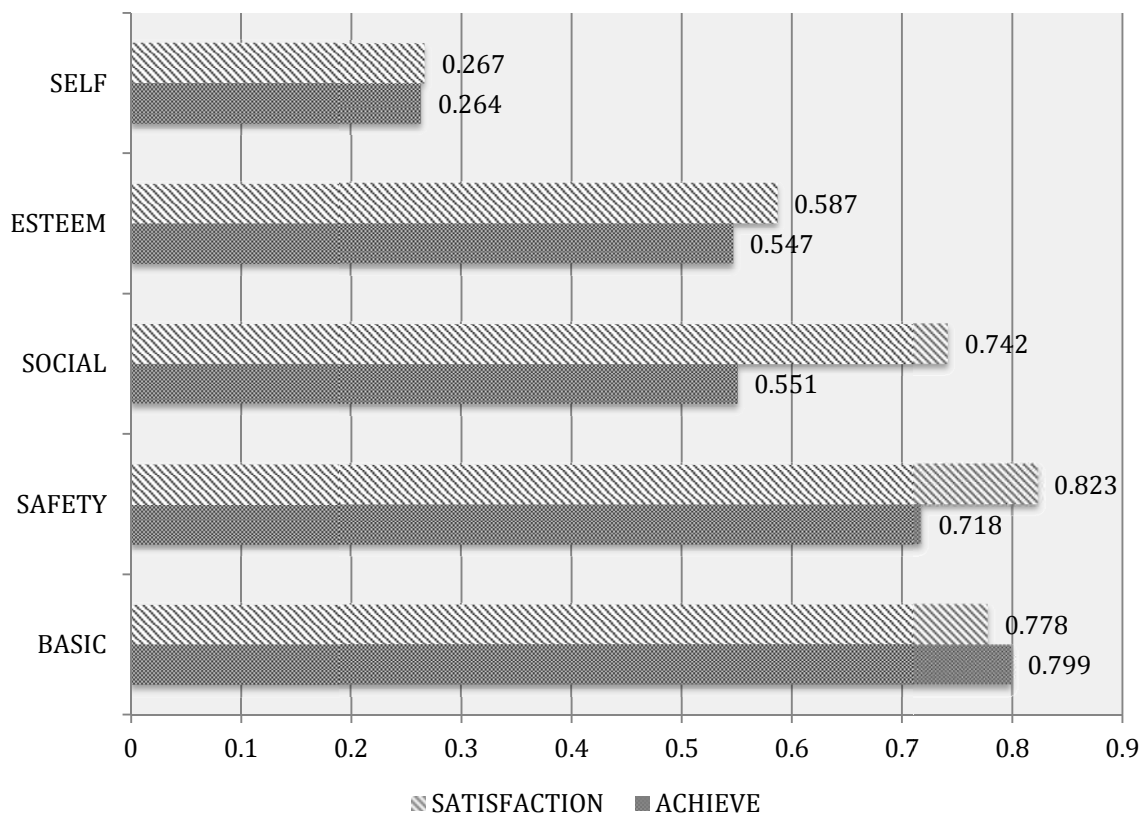
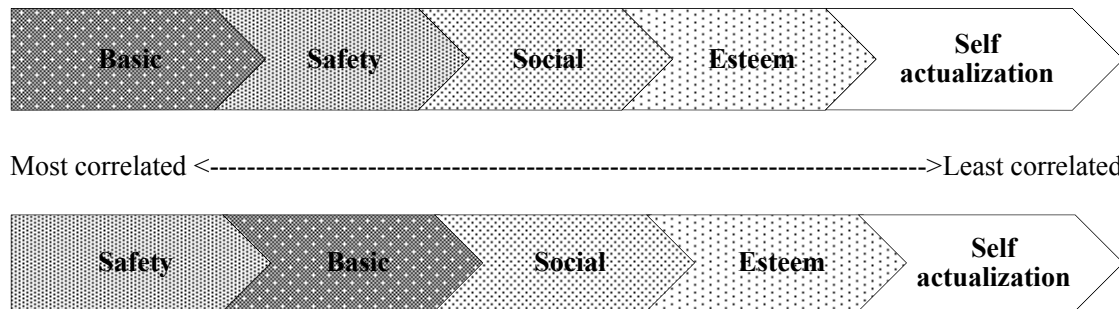


Figure 13: Order of need between achievement of alliance objective and relationship satisfaction (measured by correlation) (more detail on table 12)

Order of correlated need with achievement of objective of strategic alliance (above)

Order of correlated need with relationship satisfaction of strategic alliance (below)



Thus, when conducting bivariate correlation analysis of each factor, we can conclude that hypothesis 4,5,6,7, and 8 are accepted.

Hypothesis: H4: Accepted

The higher basic need of the alliance partner is being satisfied is, the higher performance of strategic alliance.

Hypothesis: H5: Accepted

The higher safety need of the alliance partner is being satisfied is, the higher performance of strategic alliance.

Hypothesis: H6: Accepted

The higher social need of the alliance partner is being satisfied is, the higher performance of strategic alliance.

Hypothesis: H7: Accepted

The higher esteem need of the alliance partner is being satisfied is, the higher performance of strategic alliance.

Hypothesis: H8: Accepted

The higher self-actualization of the alliance partner is being satisfied is, the higher performance of strategic alliance.

However, when analyze each need together, regression analysis shows quite a different picture. The two models from regression analysis show that there is some negative relationship between performance and need satisfaction. Achievement of objective of the alliance has negative relationships with satisfaction of social need and self-actualization need. Satisfaction of the alliance relationship has a negative relationship with satisfaction of self-actualization need. Please see equation 1 and equation 2. (More detail on table 13 and table 14)

Equation 3

ACHIEVEMENT

$$= 0.780 + 0.196 \times \text{BASIC} + 0.118 \times \text{SAFETY} - 0.019 \times \text{SOCIAL} + 0.019 \times \text{ESTEEM} - 0.001 \times \text{SELF}$$

Equation 4

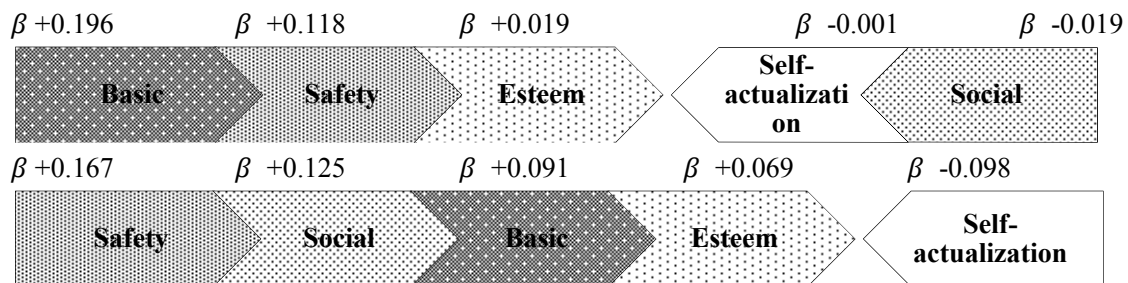
SATISFACTION

$$= -0.210 + 0.091 \times \text{BASIC} + 0.167 \times \text{SAFETY} + 0.125 \times \text{SOCIAL} + 0.069 \times \text{ESTEEM} - 0.098 \times \text{SELF}$$

Figure 14: Order of needs between achievement of alliance objective and relationship satisfaction (measured by regression) (more detail on table 13,14)

Order of correlated need with achievement of objective of strategic alliance (above)

Order of correlated need with relationship satisfaction of strategic alliance (below)



From figure 14, we can observe that the order is different from figure 13. The major performance drivers for achievement of objective of the alliance is still basic need ($\beta +0.196$, $p < 0.05$). But this performance has insignificant negative relationships with social ($\beta -0.019$, $p > 0.05$)

need and self-actualization (β -0.001, $p > 0.05$). The major performance drivers for satisfaction the alliance relationship are safety need (β +0.167, $p < 0.05$) and social need (β +0.125, $p < 0.05$). It also has a significant negation relationship with self-actualization (β -0.098, $p < 0.05$). (Please see more detail on table 13 and table 14).

4.1.8. Motivation factors and performance of the alliance

In this research, motivation will be measured by two types of motivation factors; personality and needs. So in this part, those motivation factors will be analyze together using linier regression analysis. But before the regression analysis, I would like to summarize bivariate correlation between each motivation factor and the performance of the alliance in figure 15 and figure 16.

Figure 15: Summary of bivariate correlation of each motivation factor and the performance of the alliance.

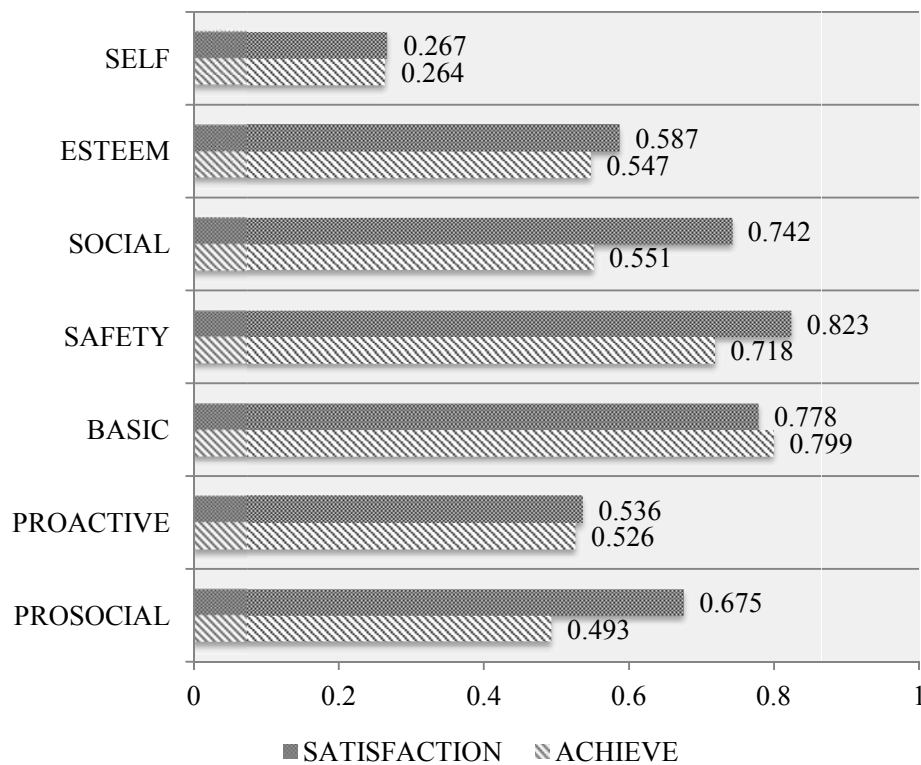
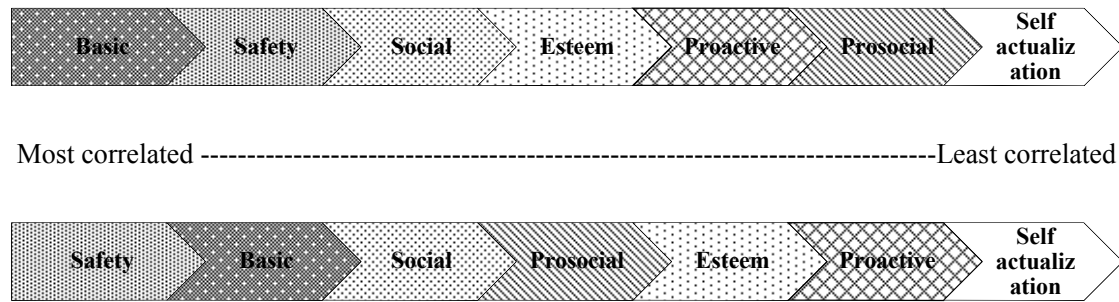


Figure 16: Summary of order correlation between motivations and achievement of alliance objective and relationship satisfaction (measured by correlation)

Order of correlated need with achievement of objective of strategic alliance (above)

Order of correlated need with relationship satisfaction of strategic alliance (below)



When consider all motivation factors together using linear correlation with 7 motivation factors as independent factors and performance of the alliance. The major performance drivers for achievement of objective of the alliance is still basic need ($\beta +0.191$, $p <0.05$). But this performance has insignificant negative relationships with prosocial ($\beta -0.018$, $p >0.05$), social need ($\beta -0.034$, $p >0.05$) and self-actualization ($\beta -0.002$, $p >0.05$). The major performance drivers for satisfaction the alliance relationship are still safety need ($\beta +0.152$, $p <0.05$) and prosocial ($\beta +0.098$, $p <0.05$). It also has a significant negation relationship with self-actualization ($\beta -0.117$, $p <0.05$) as in equation 5 and equation 6. (Please see more detail on table 15 and table 16).

Equation 5

ACHIEVEMENT

$$= -0.103 - 0.018 \times PROSOCIAL + 0.051 \times PROACTIVE + 0.191 \times BASIC + 0.124 \times SAFETY - 0.034 \times SOCIAL + 0.007 \times ESTEEM - 0.002 \times SELF$$

Equation 6

SATISFACTION

$$= -0.622 + 0.098 \times PROSOCIAL - 0.024 \times PROACTIVE + 0.075 \times BASIC + 0.152 \times SAFETY + 0.106 \times SOCIAL + 0.074 \times ESTEEM - 0.117 \times SELF$$

Table 4: Crosstabulation analysis between firm factors and engagement in strategic alliance

Roll	Column	Pearson Chi-square value	Chi-square Significant	Phi	Cramer's V	MEC	Relationship	Accurate	Lambda	Lambda sig
Type of business	SA engaged	6.405	0.041	0.290	0.290	7.11	Yes	Yes	0.118	0.152
Type of customer	SA engaged	0.200	0.655	(0.051)	0.051	10.89	No	Yes	0.000	0.000
Size by asset	SA engaged	11.721	0.039	0.393	0.393	3.32	Yes	No	0.101	0.122
Size by employee	SA engaged	2.307	0.805	0.174	0.174	3.32	No	No	0.036	0.621
International business	SA engaged	4.067	0.044	0.231	0.231	7.58	Yes	Yes	0.077	0.605
Relationship defined by Pearson Chi-Square $p < 0.05$, Accurate defined by Minimum Expected Count (MEC) > 5										

Table 5: Crosstabulation analysis between firm factor and alliance factor

Row	Column	Chi-square value	Chi-square Sig	Phi	Cramer's V	MEC	Relationship	Accurate	Lambda	Lambda sig
Type of business	Industry of partner	11.876	0.003	0.545	0.545	1.10	Yes	No	0.174	0.035
Type of business	International partner	1.547	0.461	0.197	0.197	1.90	No	No	0.065	0.477
Type of business	Official contract	2.971	0.226	0.273	0.273	1.50	No	No	0.740	0.311
Type of business	Alliance objective	3.141	0.791	0.280	0.198	0.30	No	No	0.077	0.249
Type of customer	Industry of partner	0.103	0.748	0.051	0.051	3.58	No	No	0.000	0.000
Type of customer	International partner	2.162	0.141	0.232	0.232	6.18	No	Yes	0.094	0.562
Type of customer	Official contract	0.372	0.542	0.096	0.096	4.88	No	No	0.000	0.000
Type of customer	Alliance objective	0.991	0.804	0.157	0.157	0.98	No	No	0.050	0.477
Size by asset	Industry of partner	9.183	0.102	0.479	0.479	0.55	No	No	0.053	0.147
Size by asset	International partner	6.108	0.296	0.391	0.391	0.95	No	No	0.152	0.242
Size by asset	Official contract	12.513	0.028	0.559	0.559	0.75	Yes	No	0.214	0.106
Size by asset	Alliance objective	13.233	0.584	0.575	0.332	0.15	No	No	0.148	0.147
Size by employee	Industry of partner	5.499	0.358	0.371	0.371	0.83	No	No	0.000	0.000
Size by employee	International partner	5.189	0.393	0.360	0.360	1.43	No	No	0.133	0.361
Size by employee	Official contract	6.232	0.284	0.395	0.395	1.13	No	No	0.098	0.490
Size by employee	Alliance objective	25.254	0.047	0.795	0.459	0.23	Yes	No	0.226	0.020
International business	Industry of partner	0.054	0.817	0.037	0.037	3.30	No	No	0.000	0.000
International business	International partner	5.199	0.023	0.361	0.361	5.70	Yes	Yes	0.194	0.072
International business	Official contract	1.143	0.285	(0.169)	0.169	4.50	No	No	0.000	0.000
International business	Alliance objective	14.725	0.002	0.607	0.607	0.90	Yes	No	0.205	0.287
Relationship defined by Pearson Chi-Square $p < 0.05$, Accurate defined by Minimum Expected Count (MEC) > 5										

Table 6: One-way ANOVA analysis between firm/alliance factor and performance of the alliance

	Dependent	Factor	Levene sig	F	Sig	Different	Accurate
1	Type of business	Achievement	0.693	1.692	0.186	No	No
2	Type of customer	Achievement	0.172	0.304	0.822	No	No
3	Size by asset	Achievement	0.087	1.029	0.391	No	No
4	Size by employee	Achievement	0.060	1.971	0.136	No	No
5	International business	Achievement	0.260	0.305	0.821	No	No
6	Industry of partner	Achievement	0.082	1.542	0.220	No	No
7	International partnership	Achievement	0.525	0.298	0.827	No	No
8	Official contract	Achievement	0.000	1.446	0.245	No	Yes
9	Alliance objective	Achievement	0.085	0.630	0.601	No	No
10	Type of business	Relationship Satisfaction	0.771	1.692	0.186	No	No
11	Type of customer	Relationship Satisfaction	0.011	0.304	0.822	No	Yes
12	Size by asset	Relationship Satisfaction	0.121	1.029	0.391	No	No
13	Size by employee	Relationship Satisfaction	0.115	1.971	0.136	No	No
14	International business	Relationship Satisfaction	0.000	0.305	0.821	No	Yes
15	Industry of partner	Relationship Satisfaction	0.892	1.542	0.220	No	No
16	International partnership	Relationship Satisfaction	0.084	0.298	0.827	No	No
17	Official contract	Relationship Satisfaction	0.003	1.446	0.245	No	Yes
18	Alliance objective	Relationship Satisfaction	0.564	0.630	0.601	No	No
Different defined by F $p < 0.05$, Accurate defined by Levene $p < 0.05$							

Table 7: One-way ANOVA analysis between firm factor/alliance factor and personality of the entrepreneur

	Dependent	Factor	Levene sig	F	Sig	Different	Accurate
1	Type of business	PROSOCIAL	0.157	1.645	0.147	No	No
2	Type of customer	PROSOCIAL	0.090	1.013	0.452	No	No
3	Size by asset	PROSOCIAL	0.532	0.124	0.999	No	No
4	Size by employee	PROSOCIAL	0.073	0.438	0.904	No	No
5	International business	PROSOCIAL	0.000	1.681	0.138	No	Yes
6	Industry of partner	PROSOCIAL	0.008	0.572	0.809	No	Yes
7	International partnership	PROSOCIAL	0.009	0.775	0.640	No	Yes
8	Official contract	PROSOCIAL	0.001	0.450	0.896	No	Yes
9	Alliance objective	PROSOCIAL	0.352	1.208	0.327	No	No
10	Type of business	PROACTIVE	0.015	0.452	0.895	No	Yes
11	Type of customer	PROACTIVE	0.000	0.562	0.817	No	Yes
12	Size by asset	PROACTIVE	0.001	0.906	0.532	No	Yes
13	Size by employee	PROACTIVE	0.064	0.476	0.879	No	No
14	International business	PROACTIVE	0.000	1.486	0.198	No	Yes
15	Industry of partner	PROACTIVE	0.000	1.108	0.387	No	Yes
16	International partnership	PROACTIVE	0.636	0.583	0.800	No	No
17	Official contract	PROACTIVE	0.040	0.522	0.847	No	Yes
18	Alliance objective	PROACTIVE	0.066	0.883	0.551	No	No
Different defined by F $p < 0.05$, Accurate defined by Levene $p < 0.05$							

Table 8: One-way ANOVA analysis between firm factor/alliance factor and need satisfaction level of the entrepreneur

	Dependent	Factor	Levene sig	F	Sig	Different	Accurate
1	Type of business	BASIC	0.134	0.874	0.548	No	No
2	Type of customer	BASIC	0.001	0.871	0.551	No	Yes
3	Size by asset	BASIC	0.267	0.682	0.704	No	No
4	Size by employee	BASIC	0.469	0.708	0.682	No	No
5	International business	BASIC	0.000	0.947	0.493	No	Yes
6	Industry of partner	BASIC	0.000	0.899	0.530	No	Yes
7	International partnership	BASIC	0.000	0.977	0.472	No	Yes
8	Official contract	BASIC	0.000	1.154	0.357	No	Yes
9	Alliance objective	BASIC	0.044	1.321	0.270	No	Yes
10	Type of business	SAFETY	0.055	2.000	0.075	No	No
11	Type of customer	SAFETY	0.565	0.508	0.857	No	No
12	Size by asset	SAFETY	0.152	0.811	0.610	No	No
13	Size by employee	SAFETY	0.215	0.658	0.739	No	No
14	International business	SAFETY	0.000	1.675	0.139	No	Yes
15	Industry of partner	SAFETY	0.006	1.174	0.346	No	Yes
16	International partnership	SAFETY	0.001	1.706	0.131	No	Yes
17	Official contract	SAFETY	0.028	1.333	0.262	No	Yes
18	Alliance objective	SAFETY	0.607	0.379	0.936	No	No
19	Type of business	SOCIAL	0.092	0.431	0.893	No	No
20	Type of customer	SOCIAL	0.008	0.726	0.668	No	Yes
21	Size by asset	SOCIAL	0.049	0.645	0.734	No	Yes
22	Size by employee	SOCIAL	0.003	0.801	0.606	No	Yes
23	International business	SOCIAL	0.000	1.648	0.152	No	Yes
24	Industry of partner	SOCIAL	0.012	0.817	0.593	No	Yes
25	International partnership	SOCIAL	0.000	1.504	0.196	No	Yes
26	Official contract	SOCIAL	0.003	0.806	0.602	No	Yes
27	Alliance objective	SOCIAL	0.798	1.950	0.087	No	No
Different defined by F $p < 0.05$, Accurate defined by Levene $p < 0.05$							

Table 8 (continue): One-way ANOVA analysis between firm factor/alliance factor and need satisfaction level of the entrepreneur

	Dependent	Factor	Levene sig	F	Sig	Different	Accurate
28	Type of business	ESTEEM	0.545	0.499	0.863	No	No
29	Type of customer	ESTEEM	0.034	0.828	0.596	No	Yes
30	Size by asset	ESTEEM	0.146	0.772	0.642	No	No
31	Size by employee	ESTEEM	0.143	1.069	0.413	No	No
32	International business	ESTEEM	0.000	0.684	0.717	No	Yes
33	Industry of partner	ESTEEM	0.000	1.366	0.247	No	Yes
34	International partnership	ESTEEM	0.000	0.958	0.492	No	Yes
35	Official contract	ESTEEM	0.009	0.957	0.493	No	Yes
36	Alliance objective	ESTEEM	0.276	2.662	0.021	Yes	No
37	Type of business	SELF	0.024	1.066	0.402	No	Yes
38	Type of customer	SELF	0.572	0.257	0.953	No	No
39	Size by asset	SELF	0.131	0.466	0.828	No	No
40	Size by employee	SELF	0.014	0.732	0.628	No	Yes
41	International business	SELF	0.002	0.448	0.841	No	Yes
42	Industry of partner	SELF	0.002	1.955	0.101	No	Yes
43	International partnership	SELF	0.000	0.942	0.479	No	Yes
44	Official contract	SELF	0.001	1.712	0.149	No	Yes
45	Alliance objective	SELF	0.575	0.459	0.833	No	No
Different defined by F $p < 0.05$, Accurate defined by Levene $p < 0.05$							

Table 9: Regression output summary of personality and relationship satisfaction level

<i>Regression Statistics</i>	
Multiple R	0.570
R square	0.324
Adjusted R Square	0.453
Standard Error	0.668
Observations	40

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significant F</i>
Regression	2	15.281	7.641	17.140	0.000
Residual	37	16.494	0.446		
Total	39	31.775			

	<i>Coefficients</i>	<i>Standard Er.</i>	<i>t Stat</i>	<i>P-value</i>	<i>95% confident Interval</i>		<i>Collinearity Statistic</i>	
					<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Tolerance</i>	<i>VIF</i>
PROSOCIAL	0.231	0.062	3.716	0.001	0.105	0.358	0.633	1.580
PROACTIVE	0.082	0.061	1.348	0.186	-0.041	0.205	0.633	1.580

SATISFACTION = -1.105 + 0.231*PROSOCIAL + 0.082*PROACTIVE

Table 10: Regression output summary of personality and achievement of alliance objective level

<i>Regression Statistics</i>	
Multiple R	0.570
R square	0.324
Adjusted R Square	0.288
Standard Error	0.727
Observations	40

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significant F</i>
Regression	2	9.398	4.699	8.881	0.001
Residual	37	19.577	0.529		
Total	39	28.975			

	<i>Coefficients</i>	<i>Standard Er.</i>	<i>t Stat</i>	<i>P-value</i>	<i>95% confident Interval</i>		<i>Collinearity Statistic</i>	
					<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Tolerance</i>	<i>VIF</i>
PROSOCIAL	0.110	0.068	1.623	0.113	-0.027	0.248	0.633	1.58
PROACTIVE	0.140	0.066	2.110	0.042	0.006	0.274	0.633	1.58

$$\text{ACHIEVEMENT} = -0.15 + 0.11 \cdot \text{PROSOCIAL} + 0.14 \cdot \text{PROACTIVE}$$

Table 11: Correlation output summary between personality and performance of the alliance

	Correlation		Significant	
Personality	ACHIEVE	SATISFACTION	ACHIEVE	SATISFACTION
PROSOCIAL1	0.457	0.483	0.01	0.01
PROSOCIAL2	0.119	0.386	No	0.05
PROSOCIAL3	0.492	0.607	0.01	0.01
PROSOCIAL4	0.555	0.629	0.01	0.01
PROACTIVE1	0.376	0.231	0.05	NO
PROACTIVE2	0.499	0.370	0.01	0.05
PROACTIVE3	0.225	0.408	NO	0.01
PROACTIVE4	0.513	0.562	0.01	0.01
	Correlation		Significant	
Personality	ACHIEVE	SATISFACTION	ACHIEVE	SATISFACTION
PROSOCIAL	0.493	0.675	0.01	0.01
PROACTIVE	0.526	0.536	0.01	0.01

Table 12: Correlation output summary between need satisfaction and performance of the alliance

	Correlation		Significant	
	ACHIEVE	SATISFACTION	ACHIEVE	SATISFACTION
BASIC1	0.619	0.655	0.01	0.01
BASIC2	0.759	0.688	0.01	0.01
BASIC3	0.766	0.735	0.01	0.01
SAFETY1	0.642	0.755	0.01	0.01
SAFETY2	0.684	0.740	0.01	0.01
SAFETY3	0.603	0.716	0.01	0.01
SOCIAL1	0.602	0.734	0.01	0.01
SOCIAL2	0.420	0.659	0.01	0.01
SOCIAL3	0.311	0.392	NO	0.05
ESTEEM1	0.589	0.653	0.01	0.01
ESTEEM2	0.591	0.622	0.01	0.01
ESTEEM3	0.222	0.231	NO	NO
SELF1	0.174	0.28	NO	NO
SELF2	0.178	0.019	NO	NO
SELF3	0.270	0.356	NO	0.05
	Correlation		Significant	
	ACHIEVE	SATISFACTION	ACHIEVE	SATISFACTION
BASIC	0.799	0.778	0.01	0.01
SAFETY	0.718	0.823	0.01	0.01
SOCIAL	0.551	0.742	0.01	0.01
ESTEEM	0.547	0.587	0.01	0.01
SELF	0.264	0.267	NO	NO

Table 13: Regression output summary of needs and relationship satisfaction level

<i>Regression Statistics</i>	
Multiple R	0.885
R square	0.783
Adjusted R Square	0.751
Standard Error	0.450
Observations	40

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significant F</i>
Regression	5	24.887	4.977	24.567	0.000
Residual	34	6.888	0.203		
Total	39	31.775			

	<i>Coefficients</i>	<i>Standard Er.</i>	<i>t Stat</i>	<i>P-value</i>	<i>95% confident Interval</i>		<i>Collinearity Statistic</i>	
					<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Tolerance</i>	<i>VIF</i>
BASIC	0.091	0.051	1.788	0.083	-0.012	0.194	0.320	3.126
SAFETY	0.167	0.067	2.478	0.018	0.030	0.304	0.236	4.233
SOCIAL	0.125	0.061	2.063	0.047	0.002	0.248	0.352	2.845
ESTEEM	0.069	0.051	1.354	0.185	-0.034	0.172	0.477	2.098
SELF	-0.098	0.058	-1.710	0.096	-0.215	0.019	0.614	1.630

SATISFACTION = -0.210 + 0.091*BASIC+0.167*SAFETY+0.125*SOCIAL+0.069*ESTEEM-0.098*SELF

Table 14: Regression output summary of needs and achievement of alliance objective level

<i>Regression Statistics</i>	
Multiple R	0.821
R square	0.673
Adjusted R Square	0.625
Standard Error	0.528
Observations	40

<i>ANOVA</i>					
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significant F</i>
Regression	5	19.51	3.902	14.017	0.000
Residual	34	9.465	0.278		
Total	39	28.975			

	<i>Coefficients</i>	<i>Standard Er.</i>	<i>t Stat</i>	<i>P-value</i>	<i>95% confident Interval</i>		<i>Collinearity Statistic</i>	
					<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Tolerance</i>	<i>VIF</i>
BASIC	0.196	0.060	3.291	0.002	0.075	0.317	0.320	3.126
SAFETY	0.118	0.079	1.497	0.144	-0.042	0.279	0.236	4.233
SOCIAL	-0.019	0.071	-0.267	0.791	-0.163	0.125	0.352	2.845
ESTEEM	0.019	0.059	0.317	0.753	-0.102	0.140	0.477	2.098
SELF	0.001	0.067	0.019	0.985	-0.136	0.138	0.614	1.630

ACHIEVEMENT = 0.78 + 0.196*BASIC+0.118*SAFETY-0.019*SOCIAL+0.019*ESTEEM+0.001*SELF

Table 15: Regression output summary of needs/personalities and relationship satisfaction level

Regression Statistics								
Multiple R	0.9							
R square	0.81							
Adjusted R Square	0.768							
Standard Error	0.434							
Observations	40							
ANOVA								
	df	SS	MS	F	Significant F			
Regression	7	25.737	3.677	19.487	0.000			
Residual	32	6.038	0.189					
Total	39	31.775						
					95% confident Interval	Collinearity Statistic		
	Coefficients	Standard Er.	t Stat	P-value	Lower 95%	Upper 95%	Tolerance	VIF
PROSOCIAL	0.098	0.046	2.120	0.042	0.004	0.193	0.483	2.068
PROACTIVE	-0.024	0.044	-0.540	0.593	-0.115	0.067	0.500	1.999
BASIC	0.075	0.050	1.492	0.145	-0.027	0.177	0.306	3.264
SAFETY	0.152	0.066	2.315	0.027	0.018	0.285	0.233	4.297
SOCIAL	0.106	0.061	1.718	0.095	-0.020	0.231	0.318	3.140
ESTEEM	0.074	0.050	1.468	0.152	-0.028	0.176	0.455	2.196
SELF	-0.117	0.057	-2.077	0.046	-0.233	-0.002	0.591	1.691
SATISFACTION = -0.622 + 0.098*PROSOCIAL - 0.024*PROACTIVE+0.075*BASIC+0.152*SAFETY+0.106*SOCIAL+0.074*ESTEEM-0.117*SELF								

Table 16: Regression output summary of needs/personalities and achievement of alliance objective level

Regression Statistics								
Multiple R	0.826							
R square	0.682							
Adjusted R Square	0.612							
Standard Error	0.537							
Observations	40							
ANOVA								
	<i>df</i>	<i>SS</i>	<i>MS</i>	<i>F</i>	<i>Significant F</i>			
Regression	7	19.758	2.823	9.799	0.000			
Residual	32	9.217	0.288					
Total	39	28.975						
					<i>95% confident Interval</i>	<i>Collinearity Statistic</i>		
	<i>Coefficients</i>	<i>Standard Er.</i>	<i>t Stat</i>	<i>P-value</i>	<i>Lower 95%</i>	<i>Upper 95%</i>	<i>Tolerance</i>	<i>VIF</i>
PROSOCIAL	-0.018	0.057	-0.319	0.752	-0.135	0.098	0.483	2.068
PROACTIVE	0.051	0.055	0.926	0.361	-0.061	0.163	0.500	1.999
BASIC	0.191	0.062	3.085	0.004	0.065	0.317	0.306	3.264
SAFETY	0.124	0.081	1.535	0.135	-0.041	0.289	0.233	4.297
SOCIAL	-0.034	0.076	-0.448	0.657	-0.189	0.121	0.318	3.140
ESTEEM	0.007	0.062	0.110	0.913	-0.119	0.133	0.455	2.196
SELF	-0.002	0.070	-0.032	0.975	-0.145	0.140	0.591	1.691
ACHIEVEMENT = -0.103 - 0.018*PROSOCIAL + 0.051*PROACTIVE+0.191*BASIC+0.124*SAFETY-0.034*SOCIAL+0.007*ESTEEM-0.002*SELF								

Section 2. QUALITATIVE FINDING AND ANALYSIS

5 entrepreneurs participated in the interview. Each interview will be discussed individually. Name of the entrepreneur and his/her business will not be disclosed. But general characteristic of the entrepreneur and his/her business will be discussed. The finding will be organized in this manner. First general information about the strategic alliance relationship will be discussed. Then the entrepreneur will be asked about behavioral issues i.e. prosocial and proactive behavior. Finally the entrepreneur will be asked about the needs and motivation to cooperate with the strategic alliance partners. More detail about interview guide can be seen in appendix. The interviews were conducted in Thai and translated by the researcher.

4.2.1. Case 1: Strategic alliance activities in resort and tourism business

About entrepreneur: She holds a bachelor degree in hotel and hospitality management and experienced in tourism industry in Phuket.

About business: A 10-room boutique resort in Phuket. Main customers are Russian, German, and French tourists, along local Thai tourists and business visitors.

Finding:

The resort has been participating in various strategic partnerships. The entrepreneur herself is actively finding strategic partners and believes in cooperating with others. The main reason is that she think it she cannot do everything effectively and efficiently. She wanted to focus on her business, which is a resort business. She believes that engaging in strategic alliance is a win-win-win situation. That means her customers (resort guesses), the partner and herself will benefit from the alliance. The customer will benefit from easily access to many services. The partner will benefit from more revenue. The entrepreneur benefits from being able to serve her guesses better and more revenue with less investment. She mentioned about the strategic alliance relationships as follow:

“It is not possible to do everything by myself. It’s too costly and I want to focus on my resort business. I see other resorts that I know buy cars and motorcycles for their guesses

to rent. But I think it too costly. So I partners with several car rental service to do their job”, “We want to offer our guesses best experience in their trip, so we are not only provide them comfortable accommodation, we partners with travel agents to offer travel service to some islands near Phuket...”, “...It is a win-win-win situation. We can provide more service and more revenue without huge investment, they (alliance partners) get more revenue from our guesses, and our guesses gain access to the service easily...” “Some hotels and resorts do their laundry by themselves but we are not. We outsource it to nearby laundry service since we don’t want to handle it. I think many big hotels do so. Moreover, they (the laundry service) are renting our place (the entrepreneur family is a real estate owner). It is better to make sure that they can pay rent.”

The resort has more than 10 strategic alliance partners; ranging travel agencies, car rental services, restaurants and a cleaning service. In conclusion, the reasons why the resort is engaging in many strategic alliance relationship are 1) the hotel can provide various services to its guesses with no significant investment. 2) The entrepreneur herself can focus on the main activity, which is to take care of her guesses while they are in the resort. And 3) these partnerships bring in additional revenue sources and, sometime, more guesses.

The researcher and the entrepreneur discussed about various strategic alliance relationships, both fail and success. The relationship with one particular car rental service is strong and worth mention, while the relationship with the other strategic alliance is said to be normal. The reasons why the relationship with this car rental service is strong are 1) the service is good and flexible and 2) personal connection with her father. As she mentioned in the interview:

“We are in a good relationship with one of the car rental services. Actually we do have relationships with several car rentals but we always contact this one for the service. His (the owner of the car rental) service is the best. Our guesses can choose the car model and can change the car if the guesses don’t satisfy with its condition. Normally the condition of

the car is very good.” “They sent people to send the car and pick it up at our resort by themselves. It is easy and flexible. It is not common in Phuket. Normally car rental service is quite big compare to our size. So we don’t have much bargaining power.” “He doesn’t so strict with the price too. He charge us fixed rate at 1,500 baht per car per day. And we charge our guesses at any price. But we normally charge at 2,500 baht (per car per day).” “We don’t know if he is this good to everyone. But he is a friend of my father.”

The reasons why relationships with other partners are not strong are that 1) the resort has several partnerships in that area i.e. travel agencies and restaurants; 2) The counterparts also have many strategic partners; 3) Each partner is not so different and more businesses can replace the current partners; and 4) Switching cost is low. As she gave her opinion that:

“The relationships are not strong since we have several partners offering the same services. There are also more of the businesses out there (that we are not yet in relationship) offering the same services. It is easy for us to change to others if there are more suitable options.” “The reason why we in relationship with many of them (that offer the same travel service) is that it is more convenient for our guess and for ourselves. Some travel agency offer travel service at different place at different schedule. So our guesses can have more choices. For them we are not so important too. They partner with several big hotels. We are small.”

When asked to provide example of her prosocial behavior, she said that it depends on whom she will be kind with. She will not be kind to everyone. Normally she will be kind with someone in a lower position. There are benefits in being prosocial too. She said that the quality of the service improve when she is being nice to the counterpart. However she doesn’t want to be in a personal relationship with strategic alliance partners. So she limit her kindness in business context only e.g. recommend new customer. She mentioned that:

“I believe I am a prosocial person. Occasionally we (she and her family) give some gifts to our related partners e.g. cleaning or laundry.” “Those gifts are, for example, snacks or fruits that grown in our garden” “It is like a tradition. You should give some small gifts to someone lower than you here (in Phuket). This gift is important for maintaining relationship...” “We can observe that they provide better service when we give something to them. Moreover, they become friendlier.” “For example, the city garbage keepers that come to our resort twice a week, they usually throw our trash basket away or did it harshly. Some of our baskets were damaged. But once we greeted them and gave them some gifts, they greet us back when they come and keep our garbage nicely.” “For our other partners, we help them by recommend more customers. But we don’t give them a gift. There is no reason to give” “I think we quite limit our relationships with our partners at only business relationships level.” “We don’t help them on personal matter or a matter that we or our guesses don’t have benefit with.”

When asking about proactive behavior, she said that she is clearly an active person. But when it comes to strategic alliance related matters, it may not always effective to be active. Partners need to be respected. And each partner has his/her own thought. Sometime being too active could hamper the relationship.

“I do many things (business and non-businesses). I always initiate a project I want to do. I actively find new partners that should benefit our resort.” “Sometime I persuade partners to change things such as destinations of the travel services or new model or vehicle types for rent. They listened to my recommendations but, normally, they did not make it happens.” “It is not easy to change our partners’ mind. They have their own thought and expertise...” “Actually I don’t want to interfere their business...” “I don’t want them to interfere mine neither...” “We always discussed on price change. But it is not that we need their

permission. We just want them to know so we will have no conflict in the future.”

The researcher asked the entrepreneur what motivate you to cooperate with the partner, under what condition. At first, she said it is clearly that mutual benefit or coded here as basic need is the most important. It is the main reason to engage in strategic alliance relationship.

“The main reason why I partner with them is that we have mutual benefit. If they have no benefit for our resort, I will not partner with them. I think it also the same for them. If I provide no value for them, they don’t need me.” “I partner with him (the owner of the car rental) because of his superior service not because he is a friend of my father.” “...if the new partner with better benefit come, I will change to that one. It is a business after all.” “I want to cooperate with the one with the most benefit for my resort”

She said further that trust it is equally important with the benefit. The two conditions needed to be met before engaging in the relationship.

“Yes, trust is also important. You cannot do business with someone you cannot trust...” “The more reference, the more trustable...” “If my friends recommend him/her to me, I will consider that one highly” “I think trust and benefit are equally important. I will not partner with someone I cannot trust. But I have no reason to partner with one with no benefit neither. So they must come together.”

She commented on friendship or personal connection that it might not very important or it could be not good for her way of doing business. She also said that friend or no does not matter when it come to business. Connection is important only at first into the relationship and with someone you don't know well. What motivates to be engaged in the relationship is a more tangible benefit.

“Well...it is good to be friend with them. But it is not really important. Actually it may reverse. If they are your friends you don’t want to have conflict with. But sometime conflict is unavoidable.” “I don’t want to charge (fee) my friend” “As mentioned before, I want to keep it all about business. So when I have to partner with new partners (and terminate the current partner), I won’t reluctant to do so.” “Actually one of the car rental partners was our neighbor. But their service was not so good. Guesses could not change or choose cars. The fee was high. So I decided to partner with the current partner instead. So friend or not isn’t that important. It is a business.” “Yes many said that business is all about connection. It is both true and false. Connection comes into handy when you start a new business relationship. But if you want to continue or maintain a relationship, you need more tangible benefit.”

The researcher asked her to comment about respect among partners, she said it more like bargaining power rather than need for respect. It is important but may not be so critical.

“I think most of the alliance partners are respectable and they respect me.” “I think they will respect me if I am in the higher position. They treat us well if we are an important partner to them” “the car rental that we are currently partnered with is very good to us. As I said his service is superior. That may be because we sent him a lot of customers.” “He is not a very big company so our partnership is important” “If we have more bargaining power, we can demand more quality of service at lower the cost.” “So if they respect us, we can get a better deal” “It is good to be in a superior position but it is not that critical. We are also partnering with many bigger companies like travel agencies or restaurants. But they treat us good enough.”

The entrepreneur said that she want to achieve something by her own will. She accepts

imperfection. These characteristics describe a person with self-actualized. This may help smoothen the cooperation. But when compare to other motivation factors, it is not very important.

“Nobody is perfect. It is acceptable. To give you some example, some time the car rental guy sent us a car that our guess didn’t accept. So we needed to change it for the guess. This kind of thing happens sometime. But we cooperate to solve the problem. We talk with the guess while he was finding the new car. And we still work together.” “But I don’t think it motivate me to work with someone.”

When asked about failure case of strategic alliance she gave one example of another car rental service. It failed because the service was not good. In other word, basic need was not satisfied.

“There was a big car rental service approached us to be partner. We gave them a try. So when our guess needs a car, we call them, among other car rental services. At first everything is just fine. They have a lot of cars and motorcycles. But the service is not very good. When we (by her guess) want to change the car, they were not really wanted to change. And we have no priority to choose the car. So I think it may not work. In the end, we didn’t contact them for car service anymore. But we still meet each other on some occasion. But no more business”

4.2.2. Case 2: Strategic alliance activities in international education business

About entrepreneur: She holds a bachelor degree in business administration.

About business: A chained education counselor service, licensed to provide the service in Phuket. The service aims to help Thai students who want to go study in Australia, especially for high school and undergraduate students.

Finding:

The company got a franchise license of study in Australia counselor from to operate in Phuket area. So this is a strategic alliance relationship between a franchisee and a franchiser. The reason why she started this counselor business is that there is a huge demand from parents in Phuket. They want to send their children to study abroad, especially for high school and undergraduate students. She known this franchise from her friend and contacted the owner to start the business. The reason why she needs this franchise is to get the connection in Australia to help facilitate the service.

“The main reason is the connection in the Australian side. I cannot find it easily. Actually legally you don't need a partner on the other side. But it will be more comfortable for the parents if we have a partner in Australia. So we can make sure to them that there will be someone takes care of your children on the other side.” “Yes many join franchise because they want knowhow. But I study this business for a while. What I lack is the connection not knowhow.” “Support we get from them was good and reasonable. We fly to Australia to learn how they work and know the universities. They subsidize some expense for us.”

When asked to provide an example of prosocial activity, she said that she help the partner on the main website which is actually the franchiser's responsibility. The entrepreneur thinks that she and other franchisees also benefit from the site. She mentioned about this topic as follow:

“Yes I do help others, especially for the students. Apart for our counseling service, we also provide tutoring and English teaching service. Most of the time we tutor them more than

the normal schedule and we also help them with their homework or any other questions.”
“They can consult us on other matter apart from English study and study in Australia”
“Most of the times we get help from the franchiser. But also help them with the website.
Actually it is their responsibility to take care of the site. But we also help them redesign the
site and periodically update it.” “We got no pay for the site improvement but it is better
for us too. It is our online presence.”

When asked about proactive behavior, the entrepreneur said that she is an active person. She provided recommendation to students and to franchiser. And again the main example is the renovation the main website. She said it is important to improve the performance of the both firms.

“Yes I do an active person. You see...I initiated the website renovation project. I am
actively involved in the design and content creation. I am a person that when I see
something needed to be changed, I change it.” “Yes...I think it important to be active.”
“You or your partner cannot be perfect. There is always something to improve. Sometime
you cannot see by yourself. Your partner can figure it out for you. Take the advice.”

When asked about what motivate you to cooperate with the franchiser, she said that it is because we need to get a connection in Australia and brand. So the mutual benefit or basic need is the most important motivator.

“What make we want to work with them is the connection in Australia. So the parents can
be sure that there will be someone takes care of their children on the other side. This is
important for the parents.” “And they have connection with the universities too. They also
provide a good recommendation.” “Certainly, we can use their brand too. It looks better
when we said that we have 8 branches in 5 countries and a service branch in Australia.”

The safety need is closely follow. She said that the franchiser is trustable. Not only because of her friend recommendation but she feel that she can work with the franchiser.

“Well...I feel that she (the franchise owner) is trustable. My friend recommended her to me. And when I talked to her I think it will work.” “I meant she is trustable and the business model is good. So I believe in the model and in her.” “Yes trust is important. You cannot work with someone you cannot trust, right?”

The social need is important too. She is somehow motivated to work with the franchiser because of personal relationship.

“One of the reasons I work with her is that my friend recommend me.” “My friend recommended her to me. And when I talked to her I think it will work.”

When asked if someone with better benefit such as connection, support or lower fee come, what you will do, the entrepreneur responded:

“I don't think I will change. We established the relationship already. Moreover, we use her brand. Changing brand will confuse customer. We are now satisfied with the benefits and supports we got. The fee is acceptable too. No need to change.”

Even though the she replied that she would not change, it is not only because of established relationship or social need factor. She mentioned the benefits or basic need from the relationship as well.

When asked about esteem need, she said that mutual respect is also important for any relationship. But it does much different at some level. She mentioned that respect is like a hygiene

factor. It is needed to a certain level. Then there is no different.

“Certainly mutual respect is important. You will not want to work with someone lack of respect. But it is not that I want to work more or contribute more because of her respect me” “I think mutual respect is important to some level.” “I don't want her to do whatever I told her. I don't want her to expect me like that neither.” “Well...even if she does not respect me that much, I can still work with her if the condition is fine.”

The researcher described the self-actualization concept and asked her if she is like that. She said that she is a creative and accept imperfection. But she said that it has nothing to do with the relationship.

“I think I am quite a self-actualize person according to that description. But it is not like I want to join the franchise because I just want to join. I join because of the benefits of joining and my friend recommend me her. I still work with her because I am satisfied with the relationship and with the support.”

4.2.3. Case 3: Strategic alliance activities in logistic and shipping business

About entrepreneur: He holds a bachelor degree in food science.

About business: He is currently running two related businesses, which are a logistic business and a shipping business. Mainly the business is the trading between Thailand and China. The main customers are small-size trading companies who want to import goods from China.

Finding:

The entrepreneur's first business is a logistic business. Then one day in a seminar about shipping, he has met a businessman whose business is a trade touring, sourcing and shipping business. The two developed the relationship from one project that they want to offer full-range and one-stop service to customer. The project was a huge success. Then the businessman invited him to cooperate together.

The entrepreneur described the reason why he joined the partnership is to learn the knowledge of shipping to get into a new business as he mentioned as follow:

"At first I know him from the seminar I went. Then we worked on a project together and it was a huge success. It was the beginning of the relationship." "The reason why I joined with the project is that I wanted to learn about the process of shipping and experience it. I want to be able to offer the service to customer as a new business. So I worked with him."

Then the researcher asked what made you work with him for 2 years. He replied that his business partner is trustable and respect him.

"He (his business partner) is a good person. He trusted me a lot. He allowed me to take care of cash when he was going to China on a business trip after we had been working together for only 3 months. He even allowed me to pay my pay!" "He is like my brother." "I learn a lot from him" "Now both businesses are doing well. The shipping business has

a branch in China to help our clients there and to facilitate service. My company (the logistic business) also benefit from this branch. We can leverage network and connection of the branch and some facilities such as storage to help my logistic business.”

When asked about what the main reason that motivate you to work with him. The researcher asked the entrepreneur to rank which needs; the basic need, safety need, social need, esteem need and self-actualization. He said that trust, in other word; safety need is the most important criteria.

“It has to be trust that may we continue to work together” “Well...it is true that mutual benefit is really important. But it is only for the starting point. If the two partners only focus on his own benefit, there is no way the two can work together for long” “I think trust is the most important factor that make we work together”

The second most important is the knowledge from cooperation. This is the first reason why he joined the partnership. This can be judged as the basic need (to gain benefit from the relationship i.e. knowledge) and self-actualization (to achieve something, driven by inner self). The entrepreneur said he want to grow up and reach the full potential.

“The reason why I joined with the project is that I wanted to learn about the process of shipping and experience it. I want to be able to offer the service to customer as a new business. So I worked with him.” “If I hadn’t worked with and learned from him, my business cannot go this big and I would still be just a kid.”

Mutual respect comes forth. But it is also important. But it contributes to trust, which is also representing safety need.

“I respect him and I think he also respect me. He trusts me a lot. That's why I also trust him.” “Respect is important for any relationship”

The entrepreneur ranked social need at the least important in strategic alliance relationship. Even though he also mentioned that connection is very important for business.

“It is not that being friend is not important. But being friend is not the reason of cooperating together. I think other factors are more important” “However, connection is really important for business.”

When asked about prosocial behavior, he mentioned that he once help his partner when his business was in crisis. When the partnered company was in cash shortage position, he helped by cutting his pay and pending bills. Helping the partner was unavoidable since the two companies had many cooperative projects. If the partner went bankrupt, his company will also suffer. Helping the partner will also strengthen the relationship between the two entrepreneurs.

“I helped him when his business was in cash shortage due to improper decision he made. I said to him that I would not take my pay since I didn't want from the beginning and will also pending the bill. I told him cash is your lifeline now. He always refuses this offer but this time he takes it.” “Sure it benefits me too. If his business went bankrupted, what should I do? There are a lot of cooperative projects we have together.” “He trust me even more because of the crisis. Now he consults me for every big decision.”

When asked about proactive behavior, he said yes I do but to a certain level. He will not interfere with the partner's decision or work. If there is something related to the partnership, he will consult the partner before taking any action.

“Yes I am an active person. When I see something needs change, I change. But if it is a matter of partnership, I will consult with my partner first. It’s obvious, right? This is called a mutual respect.”

4.2.4. Case 4: Strategic alliance activities in furniture business

About entrepreneur: He holds a bachelor degree in business management and come from an entrepreneurial family. He has done a lot of businesses before this one.

About business: His business is a retailer of furniture made from marble. His main customers are homeowners. The business located in Kampangpetch province in the northern part of Thailand.

Finding: He is engaging in two kinds of strategic alliance; manufacturers and competitors, which also work as distributor sometime. The finding with discuss from each kind of the alliance.

Strategic alliance with manufacturer

The relationship with manufacturer is quite strong. Manufacturers are relatively smaller. Most of them are local artisans with small low technology workshops. His company cooperates with the manufactures in design and quality control. The reason for the cooperation is to improve the products both quality and design.

“I cooperate with those manufacturers in design and quality control. These are what they lack. We know what customer want. And we also know what distributors want.” “The customers want some different design such as add this part or remove those part like that. And we share this information with them” “Distributors are very strict with the quality control. But most manufactures are just small. They don't really care about the standard. Sometime the color of chair and table did not match. Or there are some cracks on the furniture. But they sell as it is. So distributors does accept that unreliable quality” “So we go to the manufacturers and convince them to be more strict with the QC. Well...they still do not care much.”

Strategic alliance with competitors

The cooperation with competitors is also quite strong since they know each other and the industry is not that big. They cooperate in mainly two ways; non-price competition over sourcing and bother trading of some lacking goods. But they don't cooperate on fixing selling price. Each

company has its own strategy. The entrepreneur positioned his business in the different position to avoid price competition and focus on total solution and quality of the service. He mentioned in the interview that:

“This industry is small. It like we all know each other.” “We cooperate not to fight over purchasing goods. Some items are limited. So instead of bidding over those goods, we let them buy those items at that cost. And then if we want those items on our shop, we trade for them with our unique goods that we can find. So everyone get the cheap price.”
“Sometime we get an order from customer of goods that we don't have. We can call other shop to send us those items and share the profit or just borrow from them and return them later.” “We don't really fight over selling price but we have no collusion. Actually my company just sells at the highest price among competitors. We sell quality of the service.”

When asked about prosocial behavior with the alliance the entrepreneur said that he also helps manufacturers in some other issues as well, both business and non-business related. He said caring your partners is a normal business practice here in the local area.

“I do help them many times. Most of the time is that they ask me to pay in advance or borrow cash. Their business is so small. Sometime they face liquidity problem and I need to help them. Of cause we cannot let them gone. They are our suppliers. I don't want to find the new ones since their quality is great and price is even greater.” “Occasionally I gave them (both manufacturers and competitors) gifts. In the events like new born child, relative marriages or funerals. It is a business tradition in the local area here.” “The result is that we can strengthen the relationship.” “It is more personal relationship than only business relationship”

When asked about proactive behavior, the entrepreneur said he is an active person

especially with the manufacturers. He actively involves in improving quality control of manufacturers and product design. The benefit will come to both parties since customers will love the better products. He mentioned:

“Yes I do active. I actively recommend my partners. Most of the time they listen.” “I want them to improve the design and I also guide them about quality control.” “Sometime I have to teach tell them what to do” “

The researcher asked the entrepreneur to rank and comment on each needs and its effect to the cooperation. He ranks mutual benefit or basic need the most important. He stressed that with no benefit why should we cooperate. Social need and safety are also important but he ranks social need higher. The reason is that it is easier to work with someone you know. While safety need or trustable of partners rank third since he believe that there is no one he can fully trust in business. Esteem and self-actualization ranked last. He doesn't think it important at all. The entrepreneur replied that:

“Definitely the mutual benefit is the most important motivated factor for me. If there is no such benefit in cooperation, why would I cooperate?” “It is a business after all” “the second most important is social needs for me. Since I know most of them and it is easier to work with whom you know” “Well...trust is also important. But it doesn't matter that much for me. You know what...in this business, especially in local area, you have to always be cautious.” “I don't think there is anyone you can fully trust in business. It is all about benefit” “esteem and self-actualize for me, they do not matter. I don't care.”

When asked if there is any problem case in cooperation with strategic alliance, the entrepreneur said yes. Some manufactures lack quality control and they don't care to improve. The counteraction was to warn to terminate the relationship. And the result was mixed. Some manufacturers were able to improve its quality. But some we had to terminate.

“Yes we have had some problematic partners. The problem was not about money like many failure cooperation. But our problem was mainly about the quality of goods.” “I warned them that if they not improve I would terminate the relationship.” “Some was able to improve.” “Unfortunately some couldn't.”

4.2.5. Case 5: Strategic alliance activities in community mall business

About entrepreneur: She holds a bachelor and a master degree in business management.

About business: Her family runs a mid-size community mall in Ubonratchathani province in the northeastern part of Thailand.

Finding: The main strategic alliance relationships in this case are a landlady (the entrepreneur) and tenants (merchants/stores) relationships. Both have to cooperate with each other to attract more visitors for mutual prosperous. Tenants can be categorized into two categories; local merchants (SMEs and micro businesses in the areas) and chain stores (national or international chain stores/restaurants e.g. McDonald).

Relationship with local merchants

The relationships with local merchants are quite strong compare to that with chain stores. Some has a very long-term relationship with the entrepreneur's family. These long-term relationship merchants get some superior benefits than others. However these small and mid-size merchants tend to not pay on time.

“Our relationships with local merchants are quite personal and quite strong with some tenants. Some tenants have been with us since my grandfather generation. We feel like we are a family.” “Our staffs know the owners and their family well. When they have problem like illness or funeral, we go and help them sometime.” “When we expanded the market and built the community mall, they were our priority. I meant they have the right to select location and the rental is cheaper than new comers.” “The major problem with local merchant tenants is that they don't pay rent on time. I heard lot of excuses, my son or my mom is ill, it's rain, or I was too busy.”

Relationship with national/international chain stores

The relationships with chain store are very professional and business like. There is no personal relationship. Any request for cooperation from this kind of tenants will be official notices.

“We don't know them personally. I don't even know the owners. The stores are managed by store managers” “We approached an agency to find chain stores tenant for us” “They negotiate a lot over the rental term. Not only make it cheaper, some also negotiate the term to pay by revenue sharing rather than space rental.” “Truthfully the yield per square meter is much lower than that of smaller tenants” “We don't have many problems with them after finish negotiation. They pay on time and highly profession. When they have some request they sent us a official notification or request.”

When asked about prosocial behavior with strategic alliance, she said she would be more helpful toward local merchants than chain stores. It is not that she doesn't want to help those chain stores. But if those chain stores need less helps and will make a request if they need something.

“Our team is being helpful to local partners than to chain store partners. The relationships are quite personal.” “As mentioned before some tenants have been with us for a long time. Thank to them we can have a business today too. So anything we can help, we will” “For chain store partners, I don't think they need some help. Normally when they need our help, they will send us a request letter.” “If there is problem that we can solve, we will. But normally I think it's our responsibility to make them happy to be with us.”

When asked about proactive behavior, the entrepreneur this is pretty much important. Especially in managing a community mall, there are a lot of small problems, ranging from in-mall traffic to electricity. The entrepreneur believe that being active help prevent problems.

“I think it's important to be active. To give you some case, when I see a problem about in-mall traffic that makes the traffic jammed in the mall, I solve it immediately.” “We did not wait for a request from tenant to tell us what to do. If we see anything that good for the

mall and for all the tenants, we will do.” “I think being active is important to prevent problem. Some problem can lead to another problem. If we cut it off when the problem is small, no big problem will come.”

When asked to rank motivation factor, the answer was quite along with others entrepreneurs. The basic need or mutual benefit ranked first. Self-actualize come second. Social need come third. Then esteem and safety needs.

“If I have to rank then the first one would be benefit. Of cause we do business. If the tenants do not, they are out.” “Not only rental fee, we choose store that will strategically benefit the mall. If there are too many stores selling the same product, we are done. So variety of store is also important.” “The next one would be self-actualization. Sometime, I want to work with some stores because I like it. I like the concept or design of the store.” “Social need come third but it is also really important.” “We want to keep relationship with old tenants. We are being thankful to them. But do not mix up with personal relationship. I personally don't think we should put preference on some partner just because we know them personally.” “Esteem and safety need do not matter much for me.” “The reason (why safety need does not matter) is that we have a system to prevent those risks already. We collected rental fee 3 months in advance and we also have insurance on any damage that might happen because of the tenants.” “So even if they run away without pay or without notice. We will keep that place for three months then we let the new tenants come.” “The risk of not getting paid is low. But problem is they do not pay on time. Truthfully I quite accept it now. It's just a couple of days or a week late though. Some case a month but we have deposit so...”

Section 3. DISCUSSIONS

In this section, I will discuss findings and analysis of the research and how they answer the research questions. Each motivation factor will also be discussed and provide qualitative reasoning to support or argue with quantitative finding.

4.3.1. Answers to the research questions

“Does strategic alliance partner’s motivation affect the performance of strategic alliance?”

Strategic alliance partner’s motivation does affect the performance of the alliance. We can see from table 15 and table 16, which test relationship between 7 motivation factors (prosocial personality, proactive personality, basic need, safety need, social need, esteem need, and self-actualization) and performance of the alliance (achievement of the alliance objective and satisfaction of the relationship with the alliance), that there is a significant relationship between each motivation factor and each performance indicator of the alliance.

“To what extent each motivation factor affects the performance of strategic alliance?”

Again from table 15 and table 16, we can see that the effect of each motivation factor to the performance is not equal. Some motivation factor affects more on some performance. Basic need affect the most and has a significant relationship to achievement of the alliance objective. While safety need and prosocial have positive significant relationship with satisfaction of the alliance relationship and self-actualization has a negative significant relationship with the satisfaction.

“How strategic alliance partner motivation affects the performance of strategic alliance?”

The most important motivation factor, from both quantitative and qualitative finding, is the basic need, which defined here roughly as mutual benefits. Many entrepreneurs said that it makes them want to contribute more to the cooperation since they will get more benefit too. There have to

be a mutual benefit in order to cooperate and the more the benefit is, the more attractive or motivated to the entrepreneur to cooperate. Safety need, which defined here roughly as trust, is ranked among the top is also an important motivation factor. One entrepreneur said that trust allows him to fully, to his full potential, contribute to the cooperation. Without trust, he would want to hold back some of his full potential to be able to negotiate in the future. In other word, without trust, they want to keep their full potential as their bargaining power.

4.3.2. Discussion of each motivation factors

Prosocial personality

Correlation to achievement/satisfaction: +0.493/+0.675, significant / significant

Regression coefficients with achievement/satisfaction: -0.018/+0.098, insignificant / significant

Explanation:

Prosocial behavior such as helping other is important for relationship management in strategic alliance or cooperation. Helping others can provide benefits both direct and indirect to the entrepreneur. The direct benefit is, for example, more contribution from the alliance e.g. better service quality. The indirect benefit is, for example, helping the partner to survive in a crisis, which in turn reduce the helper's cost of finding new cooperation, in a case that the partner went bankrupt. Helping other has a direct positive effect on relationship management. Not only the help receivers will appreciate the helper, the helper also feel better to those they help [95]. Thus both helper and who has been helped will be more satisfied with the relationship. Helping each other will also build trust between the partners.

However, we can see the beta coefficient of prosocial is negative to the achievement of objective of the alliance. The possible explanation could be that when a partner helps another partner or being too kind, the other partner will be less motivated to contribute or may be slack off and rely too much on the helper. By being kind, a negative consequence may not timely show the result.

Proactive personality

Correlation to achievement/satisfaction: +0.526/+0.536, significant / significant

Regression coefficients with achievement/satisfaction: +0.051/-0.024, insignificant / insignificant

Explanation:

Proactive show a significant correlation with the performance, both achievement of the objective of the alliance and satisfaction of the relationship. This finding is differing from the stated hypothesis 3. But when consider, proactive together with other motivation factors in regression analysis, it show a negative relationship with satisfaction of relationship of the alliance, which is along with the hypothesis. Finding from the interview also support the negative effect of proactive personality. One of the proactive characteristics is to change or improve something without proper discussion or consensus from others. This is quite conflict with Thailand culture that tend to avoid conflict with others. Some entrepreneurs said before doing anything that may affect the alliance matter, they needed to discuss/have a consensus before making it happen even if it is the good thing to do. It is a mutual respect. Some entrepreneur doesn't want other to interfere with his/her matter. And being too active can sometime interfere with other's matters (Please see case 1 and 3). So actively change or improve thing may suffer relationship with the alliance partners.

However, on the other side, the interview finding confirm that proactive help improve achievement of the objective of the alliance said some entrepreneurs (see case 2 and 5). Proactive partner will find a way to improve thing that need improvement. No one is perfect, so we need improvement. Proactive personality helps improvement.

Basic need

Correlation to achievement/satisfaction: +0.799/+0.778, significant / significant

Regression coefficients with achievement/satisfaction: +0.191/+0.075, significant / insignificant

Explanation:

Basic need is defined here roughly as mutual benefit. It is the fundamental reason why firm participate in strategic alliance activity. With this definition, it shows a strong correlation with

both achievement and satisfaction. Regression analysis shows a significant relationship between basic need and achievement of the alliance but an insignificant relationship with satisfaction.

Finding from the interview also confirm that basic need is the most important. 3 out of 5 entrepreneur ranked basic need as the most important motivation factor (Please see case 2,4 and 5). Another two entrepreneurs ranked basic need as equal as safety need (trust) (Please see case 1,3). Without mutual benefit entrepreneur will not participate in strategic alliance relationship. The more benefit will also result in more motivation.

Safety need

Correlation to achievement/satisfaction: +0.718/+0.823, significant / significant

Regression coefficients with achievement/satisfaction: +0.124/+0.152, insignificant / significant

Explanation:

Safety need shows strong correlation with both achievement and satisfaction. While regression analysis shows a significant positive relationship with satisfaction, it shows an insignificant positive relationship with achievement. Some entrepreneurs said in the interview that safety need is as important as basic need. The two conditions need to be met. Some entrepreneur defined safety need as more like a hygiene factor than a motivator. Many entrepreneurs said they couldn't cooperate with someone they don't trust. But it doesn't mean the more trustable the partner; the more they want to cooperate. While some entrepreneur said that trust allows him to fully, to his full potential, contribute to the cooperation. Without trust, he would want to hold back some of his full potential to be able to negotiate in the future. So the effect of safety need to achievement is mixed, which may explain insignificant relationship with achievement in regression analysis.

However the relationship between safety need and satisfaction of the strategic alliance relationship is clearly positive in both correlation and regression. Finding from the interview also support the argument (Please see case 3).

Social need

Correlation to achievement/satisfaction: +0.551/+0.742, significant / significant

Regression coefficients with achievement/satisfaction: -0.034/+0.106, insignificant / insignificant

Explanation:

Social need defined here as personal relationship or engagement in the alliance. It shows significant correlations with both achievement and satisfaction. However, regression analysis shows a different picture. Social need has a slightly negative impact on achievement. This finding is consistent with finding from the interview.

Although it is quite a common believe that connection is important for business. Many entrepreneurs said differently when it comes to strategic alliance cooperation. Some entrepreneur said that connection is important when you start a relationship not when the relationship is established (Please see case 1). What motivate alliance partner to contribute more or be more cooperative is a tangible benefit not a personal relationship said an entrepreneur. It may have a negative effect on performance since one don't want to gain so much benefit from friends and sometime if you want to terminate the relationship, it is more difficult to terminate if the alliance partner is your friend. This argument may explain the negative relationship between social need and achievement of the alliance. However, the relationship coefficient value is low.

Esteem need

Correlation to achievement/satisfaction: +0.547/+0.587, significant / significant

Regression coefficients with achievement/satisfaction: +0.007/+0.074, insignificant / insignificant

Explanation:

Esteem need is defined as being respected or being important to the alliance. It shows significant correlation with both achievement and satisfaction. Regression analysis shows insignificant positive relationship with both achievement and satisfaction. The coefficient values are low with both performance measurements. This finding also align with finding from the interview, some entrepreneur said it doesn't matter to the alliance (Please see case 4 and 5).

Self-actualization

Correlation to achievement/satisfaction: +0.264/+0.267, insignificant / insignificant

Regression coefficients with achievement/satisfaction: -0.002/-0.117, insignificant / significant

Explanation:

There is no significant correlation between self-actualization and performance of the alliance. Regression analysis shows a negative insignificant relationship with achievement and a significant negative relationship with satisfaction of relationship of the alliance. This finding is counter with finding from the interview. Some entrepreneur said that self-actualization doesn't matter with the alliance (please see case 1,2,3 and 4). Some said it should have a positive (please see case 5). I could not find any causation why self-actualization has negative impact with the relationship satisfaction. More investigation is needed.

4.3.3. Further discussion from the interview

Some interesting points were found during the interview. There is difference in relationship management depended on context of the relationship. Such contexts are, for example, business culture, leadership style of the entrepreneur, or nature of the cooperation.

Business culture

I can observe that there is a different between entrepreneur in city area and in local area. As noted in case 4 and 5, the different is that relationship management with local entrepreneur tends to be more personal relationship approach. While relationship management with city area tends to be more official or more professional. In the local area, for example, you may need to concern about personal matter of the alliance partners such as new born in the family, health of the family member, or marriage and funeral. But in the city area, the relationship focuses on business matter. However, more investigation is needed.

Leadership style of the entrepreneur

There are two type of leadership; task-oriented and relationship-oriented [96]. This characteristic of leadership of the entrepreneur may have an effect on relationship management of the strategic alliance. I observed that the entrepreneur in case 4 is a relationship-oriented leader while others are more likely to be task-oriented leader. There is a different in priority of motivational factor. Relationship-oriented leader put more important on relationship issue while task-oriented leader put more emphasize on result issue. However, more investigation is needed.

Nature of cooperation

I can observe that nature of cooperation play an important role in strategic alliance relationship management. Some cooperation needs more consideration, time, and resources in relationship management than others. For example, in case 2 and 4, the cooperation is integrate deeply in operation of both partners' business. In case 2, the alliance involves taking care of the clients in Australia and in case 4, the alliance involves taking care of shipping, documentation and sourcing. This kind of cooperation needs more consideration than that cooperation in case 1, which is co-promotion or cross selling.

Case 3 is quite different from others. The entrepreneur ranked safety need as the least important motivation factor. The reason is that in her business, there is an established procedure to prevent such risk already. So risk is quite low. Thus safety need is not so important. . However, more investigation is needed.

CHAPTER 5. CONCLUSION

In this study, I examine the relationship between two kind of motivation factor; personality and needs, and performance of the alliance; achievement of the objective of the alliance and satisfaction of the relationship of the alliance.

First I hypothesized and found that personality was strongly related to the performance of the alliance. Achievement of objective of the alliance was more related with proactive personality than with prosocial personality, while satisfaction of the alliance relationship was more related with prosocial personality and proactive personality.

Second I hypothesized and found that four of five Maslow's needs were strongly related to the performance of the alliance. Achievement is strongly related with basic need, safety need, social need, and esteem need in this order. While satisfaction is strongly related with safety need, basic need, social need and esteem need in this order. Self-actualization shows no strong relationship with the performance of the alliance.

I also observe that there is some different in relationship management depended on the context of the relationship. However, more investigation is needed to make a conclusion.

Practical implication

This study shows that to successfully motivate strategic alliance partners, two needs; basic need and safety need, needed to be satisfied. Basic is defined as mutual benefit while safety need defined here as trust. These two needs are the most critical to motivate alliance partners.

Another implication derived from the interview is that there are contextual different in managing the relationship. There is no single answer in motivating strategic alliance partners. Different entrepreneur need different way to motivate. Some may need more personal contact. Some want to maintain the distant. Some focus on result. Some focus on relationship.

Limitation

The major limitation of this study is low response rate. Thousands of questionnaires were distributed online but the complete responses are less than 100 responses. Out of that only 40 responses are SMEs with strategic alliance activity. Thus, the usable responses for this study are 40, which is not enough to statistically prove many arguments. I try to compensate the lack of statistical accuracy by conducting interview to find qualitative data to enhance the understanding of the research finding.

Another limitation is the contextual different of the alliance. Such contextual different may be business culture of strategic alliance partners, leadership style of the partners, and nature of cooperation between strategic alliance. These differences may result in different relationship management. However, this study did not analyze each type of the context separately.

This study was conducted in Thailand only. So there could be some problem with its generalizability. There could be some cultural different in other area that may result in different conclusion.

Future research direction

This study has explored the new area of study in strategic alliance relationship management. Maslow's needs theory and personality theories were applied to use as a study model in this research. There are still more motivation theories to be tested to understand motivation in strategic alliance relationship management context.

Since contextual aspects, such as culture, leadership style, or nature of cooperation, could result in different conclusion. The study that control these contextual different is needed.

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APPENDICES

Section 1. QUESTIONNAIRE

Strategic Alliance Management in SMEs – Motivation and performance of the alliance

Introduction

My name is Peem Petchged. I am a master degree student in international MBA program, Waseda Business School, Waseda University, Tokyo, Japan. I am conducting this research as a final thesis for my graduation and for fulfill understanding in strategic alliance management literature. This study attempts to collect information about strategic alliance partner motivation level and its relationship to strategic alliance performance in small and medium enterprises (SMEs) in Thailand. This study will explore entrepreneurs and SMEs managers' motivation level in two aspects, personalities and needs, and find the relationship with the success of strategic alliance.

Procedures

You will be asked 14 questions with 35 variables in 5 sections. First 2 sections will be questions about background of your organization and strategic alliance. Then you will be asked to judge if the alliance success or not. In the next section, you will be asked about personality questions. In the last section, there will be questions regarding need theory. This questionnaire will take less than 10 minute to complete. Please note that with the limitation of the system, you cannot click BACK button. PLEASE NOTE THAT if your company has engaged in more than one strategic alliance relationships, please refers to the latest one that you are engaging with.

Benefits

[1] The direct benefit to participant is that this questionnaire will provide an opportunity for you to think deeply and understand more about your motivation level regarding strategic alliance relationship management.

[2] Another benefit is that I will share the research result to related tourism associations e.g. Thailand Hotel Association, Travel Agency of Thailand Association, etc. So you can retrieve this research result from those organizations and use this knowledge about strategic alliance relationship management on your own benefit.

[3] If you would like to, your company name will be published in this thesis as acknowledgement for your cooperation. Please note that this research will be published in Japan and internationally. If you want to be name to be published, please fill in your company name in the last section.

Confidentiality

All data obtained from participants will be kept confidential and will only be reported in an aggregate format (by reporting only combined results and never reporting individual ones). All questionnaires will be concealed, and no one other than then primary investigator, assistant researches, and supervisor. The data collected will be stored in the HIPPA-compliant, Qualtrics-secure database until it has been deleted by the primary investigator. All data will be use only for academic purpose.

Participant

Participants are expected to be entrepreneurs or managers of SMEs in Thailand.

Questions about the Research

If you have questions regarding this study, you may contact Peem Petchged (the principal investigator), at +81-080-3932-7555 (JP) or peem27@fuji.waseda.jp.

I have read and understood the above consent form and willing to participate in this study.

☐ Yes (1)

☐ No (2)

Q1: What is the business of your company? (Please check one) [CODED AS "TYPE OF BUSINESS"]

☐ Manufacturing

☐ Service

☐ Trading

Q2: Who is your major customer? (Please check one) [CODED AS "TYPE OF CUSTOMER"]

☐ Consumer customer (B2C)

☐ Business customer (B2B)

Q2: What is your non-land asset (approximately) [CODED AS "SIZE BY ASSET"]

☐ Less than 1,000,000 baht (1)

☐ 1,000,000 - 5,000,000 baht (2)

☐ 5,000,001 - 10,000,000 baht (3)

☐ 10,000,001 - 50,000,000 baht (4)

☐ 50,000,001 - 100,000,000 baht (5)

☐ 100,000,001 - 200,000,000 baht (6)

☐ More than 200,000,000 baht (7)

Q3: How many employees in your company [CODED AS "SIZE BY EMPLOYEE"]

☐ Less than 5 person (1)

☐ 6 - 10 persons (2)

☐ 11 - 20 person (3)

☐ 21- 50 person (4)

☐ 51 - 100 person (5)

☐ 101 - 200 person (6)

☐ More than 200 person (7)

Q4: Does your company do business outside Thailand? (by branches, subsidiaries, joint ventures, etc.) [CODED AS "INTERNATIONAL BUSINESS"]

☐ Yes (1)

☐ No (2)

Q5: Have your company ever participated in strategic alliance activity? [CODED AS "STRATEGIC ALLIANCE"]

Strategic alliance is defined as a long-term relationship between two or more organizations formed in order to achieving some strategic objectives, which are not possible or not efficient to achieve it alone. Such objectives are, for example, access to rare resources, cost sharing, expand to new market, knowledge sharing or co-promotion. Strategic alliances can be seen in various forms e.g. joint ventures, consortia, licensing agreements, product swaps, and supplier and buyer arrangements.

☐ Yes (1)

☐ No (2)

Q6: Are you and your alliance partner in same industry? [CODED AS "INDUSTRY OF PARTNER"]

☐ Yes (1)

☐ No (2)

Q7: Do you have an international strategic alliance? [CODED AS "INTERNATIONAL PARTNER"]

- ☐ Yes (1)
☐ No (2)

Q8: Is your strategic alliance formal? (Formal means the alliance has an agreement signed on paper such as contract or MOU) [CODED AS "OFFICIAL"]

- ☐ Yes (1)
☐ No (2)

Q9: How long has your company been in strategic alliance relationship with your alliance partners? [CODED AS "AGE"]

_____ How long has your company been in strategic alliance relationship with your alliance partners?

Q10: What is the planned objective of the alliance? [CODED AS "OBJECTIVE"]

- ☐ To shared needed resources (tangible e.g. financial resource, human resource and intangible resources e.g. patent, brand) (1)
☐ To shared needed knowledge (including information and knowhow) (2)
☐ To gain superior competitive position over the market (3)
☐ To reduce cost (4)

Q11: Please rate your alliance performance and satisfaction [CODED AS "ACHIEVEMENT" AND "SATISFACTION"]

	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
This alliance has realized the planned objectives. (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You are satisfied with the relationship with alliance partners. (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q12: Please rate the following statement from strongly agree to strongly disagree [CODED AS “PROSOCIAL 1-4” FOR (1)-(4) AND “PROACTIVE 1-4” FOR (5)-(8)]

	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
You assist your alliance partner in the alliance matters (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You assist your alliance partner in the alliance in non-alliance matters (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You suggest procedural, administrative or organizational improvement to the alliance/ the alliance partners (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You represent the alliance/ the alliance partners favorably to outsiders. (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
If you see something you don't like in the alliance, you fix it. (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You are always looking for better ways to do things (6)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You like being a champion for your ideas, even against others in your alliance or your alliance partner (7)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You are excel at identifying opportunities (8)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q13: Please rate the following statement from strongly agree to strongly disagree
[CODED AS “BASIC1-3” FOR (1)-(3), “SAFETY” FOR (4)-(6), “SOCIAL” FOR (7)-(9),
“ESTEEM” FOR (10)-(12), AND “SELF” FOR (13)-(15)]

	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
You secure needed resources (tangible and intangible) from the alliance. (1)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
This alliance has positive effect on your company overall financial performance. (2)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You believe you gain significant benefit from the alliance (3)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You can trust your alliance partners and feel safe joining the alliance (4)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You have good communication with your alliance partners (5)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You and your alliance partners cooperate with each other well. (6)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You feel engage with the alliance (7)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You believe you can be	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

friend with some of your alliance partners (8)					
You frequently participate in the alliance social activities e.g. luncheons, dinners, and parties. (9)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your efforts are being acknowledged by the alliance/alliance partners (10)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your opinion highly influence the alliance matters (11)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You are important to the alliance. (12)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You want your company and the alliance to reach its full potential. (13)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You are idea initiator of the alliance and you provide creative opinion. (14)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
You accept imperfection of yourself, of the alliance and of alliance partners. (15)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Section 2. INTERVIEW GUIDE

5.2.1. Pre-interview protocol

The research will read a statement to each participant to ensure the participant understands the scope of the study and the purpose of the study. A statement will be prepared to explain the study in detailed terms, particularly how it is important. It is also serve to assure the participant of confidentiality and answer any questions the participant may has.

The pre-interview will confirm to following:

1. Are you willing to participate in this research?
2. Are you an entrepreneur or a manager of SME in Thailand?
3. Does your company have had one or more strategic activities?
4. Will you agree to have the interview audio-recorded?
5. Will you review the interview transcripts for accuracy?
6. Do you object to publication of data not identifiable to you
7. Do you understand that you can withdraw from the study at any time?

5.2.2. Interview questions (samples)

This set of questions is prepared before the interview to capture all aspects that relevance to the research. In the actual interview, the questions may be different.

General questions

1. What is your business? Could you describe your business?
2. Who are your customers?

Strategic alliance questions

1. How many strategic alliances does your company have?
2. What is your alliance partner business?
3. Why do you participate in strategic alliance? What is the most important reason? Why?
4. Do you think your strategic alliance success? Why? How did you define success?
5. Do you satisfied with the relationship with strategic alliance partner? Why?

Personality-related questions

1. Do you think you are a prosocial person? Why?
 - a. Do you help your partners? In what condition you do/do not? Why?
 - b. Will you stay with current partner if you see better opportunity to partner up with other company? If so, why? If not, why not?
 - c. Is there any situation that your prosocial action affects the performance or relationship of the alliance? Could you describe?
2. Do you think you are a proactive person? Why?
 - a. Is there any situation that you think something in the alliance should be fixed?
 - b. If so, how you do it and why? If not, why?
 - c. Is there any situation that your proactive action affects the performance or relationship of the alliance? Could you describe?

Need-related questions

1. What motivate you to work with the strategic alliance? Could you describe? Why?
2. Do you think it affects the performance of the alliance or relationship? How?